

Pamphlets Vol. 233.

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TO THE

Rt. Hon. *Edmund Burke,*

IN REPLY TO THE

Insinuations and palpable Misrepresentations,

IN A

P A M P H L E T,

ENTITLED THE

N I N T H R E P O R T

FROM THE

S E L E C T C O M M I T T E E, &c. &c.

By J. S.

L O N D O N:

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N I N E T H
R E P O R T
FROM THE
SELECT COMMITTEE,

Appointed to take into Consideration the State of the Administration of Justice in the Provinces of Bengal, Bahar, and Orissa, and to report the same, as it shall appear to them, to the House, with their Observations thereupon; and who were instructed to consider how the British Possessions in the East Indies may be held and governed with the greatest Security and Advantage to this Country, and by what Means the Happiness of the Native Inhabitants may be best promoted.

I. OBSERVATIONS ON THE STATE OF THE
COMPANY'S AFFAIRS IN INDIA.

IN order to enable the House to adopt the most proper Means for regulating the British Government in India, and for promoting the Happiness of the Natives who live under its Authority or Influence, Your Committee hold it expedient to collect into distinct Points of View the Circumstances by which that Government ap-

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pears to them to be most essentially disordered, and to explain fully the Principles of Policy, and the Course of Conduct, by which the Natives of all Ranks and Orders have been reduced to their present State of Depression and Misery.

Your Committee have endeavoured to perform this Task in plain and popular Language, knowing that nothing has alienated the House from Enquiries, absolutely necessary for the Performance of one of the most essential of all its Duties, so much as the technical Language of the Company's Records; as the Indian Names of Persons, of Offices, of the Tenure and Qualities of Estates, and of all the varied Branches of their intricate Revenue. This language is indeed of necessary Use in the executive Departments of the Company's Affairs; but it is not necessary to Parliament—A language so foreign from all the Ideas and Habits of the far greater Part of the Members of this House, has a Tendency to disgust them with all sorts of Enquiry concerning this subject. They are fatigued into such a Despair of ever obtaining a competent Knowledge of the Transactions in India, that they are easily persuaded to remand them back to that Obscurity, Mystery, and Intrigue, out of which they have been forced upon public Notice, by the Calamities arising from their extreme Mismanagement. This Mismanagement has itself (as Your Committee conceive) in a great Measure arisen from dark Cabals, and secret Suggestions to Persons in Power, without a regular public Enquiry into the good or evil Tendency of any Measure, or into the Merit or Demerit of any Person entrusted with the Company's Concerns.

The Plan adopted by Your Committee is; First, To consider the Law regulating the East India Company, as it now stands; and Secondly, To enquire into the Circumstances of the Two great Links of Connection, by which the Territorial Possessions in India are united to this Kingdom; namely, the Company's Commerce; and the Government exercised under the Charter, and under Acts of Parliament. The last of these objects, the Commerce, is taken in Two Points of View, the *external*, or the direct Trade between India and Europe; and the *internal*; that is to say, the Trade of Bengal in all the Articles of Produce and Manufacture which furnish the Company's Investment.

The Government is considered by Your Committee under the like Descriptions of internal and external. The Internal regards the Communication between the Court of Directors and their Servants in India; the Management of the Revenue; the Expenditure of public Money; the Civil Administration; the Administration of Justice; and the State of the Army—The External regards, first, the Conduct and Maxims of the Company's Government with respect to the native Princes and People dependent on the British Authority; and next the Proceedings with



with regard to those native Powers which are wholly independent of the Company. But Your Committee's Observations on the last Division, extend to those Matters only, which are not comprehended in the Report of the Committee of Secrecy. Under these Heads, Your Committee refer to the most leading Particulars of Abuse, which prevail in the Administration of India; deviating only from this Order, where the Abuses are of a complicated Nature, and where one cannot be well considered, independently of several others.

Your Committee observe, that this is the Second Attempt made by Parliament for the Reformation of Abuses in the Company's Government. It appears therefore to them, a necessary Preliminary to this Second *Undertaking*, to consider the Causes which, in their Opinion, have produced the Failure of the First; that the Defects of the original Plan may be supplied; its Errors corrected; and such useful Regulations as were then adopted, may be further explained, enlarged and enforced.

The First Design of this Kind was formed in the Session of the Year 1773. In that Year, Parliament, taking up the Consideration of the Affairs of India, through two of its Committees, collected a very great Body of Details concerning the interior Oeconomy of the Company's Possessions; and concerning many Particulars of Abuse, which prevailed at the Time, when those Committees made their ample and instructive Reports. But it does not appear that the Body of Regulations enacted in that Year, that is, in the East India Act of the Thirteenth of His Majesty's Reign, were altogether grounded on that Information; but were adopted rather on probable Speculations, and general Ideas of good Policy and good Government. New Establishments, civil and judicial, were therefore formed at a very great Expence, and with much Complexity of Constitution. Checks and Counterchecks of all Kinds were contrived in the Execution, as well as in the Formation of this System, in which all the existing Authorities of this Kingdom had a Share: For Parliament appointed the Members of the presiding Part of the new Establishment; the Crown appointed the Judicial; and the Company preserved the Nomination of the other Officers. So that if the Act has not fully answered its Purposes, the Failure cannot be attributed to any Want of Officers of every Description, or to the Deficiency of any Mode of Patronage in their Appointment. The Cause must be sought elsewhere.

The Act had in its view (independently of several detached Regulations) Five fundamental Objects.

1st. The Reformation of the Court of Proprietors of the East India Company.

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2dly. A new Model of the Court of Directors, and an Enforcement of their Authority over the Servants abroad.

3dly. The Establishment of a Court of Justice capable of protecting the Natives from the Oppressions of British Subjects.

4thly. The Establishment of a General Council to be seated in Bengal, whose Authority should, in many Particulars, extend over all the British Settlements in India.

5thly. To furnish the Ministers of the Crown with constant Information concerning the whole of the Company's Correspondence with India, in order that they might be enabled to inspect the Conduct of the Directors and Servants, and to watch over the Execution of all Parts of the Act; that they might be furnished with Matter to lay before Parliament from Time to Time, according as the State of Things should render Regulation or Animadversion necessary.

The First Object of the Policy of this Act, was to improve the Constitution of the Court of Proprietors. In this Case, as in almost all the Rest, the Remedy was not applied directly to the Disease. The Complaint was, that Factions in the Court of Proprietors had shewn, in several Instances, a Disposition to support the Servants of the Company against the just Coercion and legal Prosecution of the Directors. Instead of applying a Corrective to the Distemper, a Change was proposed in the Constitution. By this Reform it was presumed, that an Interest would arise in the General Court, more independent in itself, and more connected with the commercial Prosperity of the Company. Under the new Constitution, no Proprietor not possessed of a Thousand Pounds capital Stock was permitted to vote in the General Court: Before the Act, Five hundred Pounds was a sufficient Qualification for One Vote; and no Value gave more. But as the lower Classes were disabled, the Power was increased in the higher: Proprietors of Three thousand Pounds were allowed Two Votes; those of Six thousand were entitled to Three; Ten thousand Pounds was made the Qualification for Four. The Votes were thus regulated in the Scale and Gradation of Property. On this Scale, and on some Provisions to prevent occasional Qualifications, and splitting of Votes, the whole Reformation rested.

Several essential Points, however, seem to have been omitted or misunderstood. No Regulation was made to abolish the pernicious Custom of voting by *Ballot*; by means of which, Acts of the highest Concern to the Company, and to the State, might be done by Individuals with perfect Impunity, and even the Body itself might be subjected to a Forfeiture of all its Privileges for Defaults of Persons, who, so far from being under Controul, could not be so much as known in any Mode of legal Cognizance. Nothing was done, or attempted, to prevent the Operation of the Interest of delinquent Servants of the Company

Company in the General Court, by which they might even come to be their own Judges; and in effect, under another Description, to become the Masters in that Body which ought to govern them. Nor was any thing provided to secure the Independency of the Proprietary Body from the various exterior Interests by which it might be disturbed, and diverted from the Conservation of that pecuniary Concern, which the Act laid down as the sole Security for preventing a Collusion between the General Court and the powerful delinquent Servants in India. The whole of the Regulations concerning the Court of Proprietors relied upon two Principles, which have often proved fallacious; namely, That small Numbers were a Security against Faction and Disorder; and, That Integrity of Conduct would follow the greater Property. In no Case could these Principles be less depended upon than in the Affairs of the East India Company. However, by wholly cutting off the lower, and adding to the Power of the higher Classes, it was supposed that the higher would keep their Money in that Fund to make Profit; that the Vote would be a secondary Consideration, and no more than a Guard to the Property; and that therefore any Abuse which tended to depreciate the Value of their Stock, would be warmly resented by such Proprietors.

If the ill Effects of every Misdemeanor in the Company's Servants were to be *immediate*, and had a Tendency to lower the Value of the Stock, something might justly be expected from the pecuniary Security taken by the Act. But from the then State of Things it was more than probable, that Proceedings ruinous to the permanent Interest of the Company, might commence in great lucrative Advantages. Against this Evil, large pecuniary Interests were rather the Reverse of a Remedy. Accordingly, the Company's Servants have ever since covered over the worst Oppressions of the People under their Government, and the most cruel and wanton Ravages of all the neighbouring Countries, by holding out, and for a Time actually realizing, Additions of Revenue to the Territorial Funds of the Company, and great Quantities of valuable Goods to their Investment.

But this Consideration of mere Income (whatever Weight it might have) could not be the first Object of a Proprietor in a Body so circumstanced. The East India Company is not, like the Bank of England, a mere monied Society for the sole Purpose of the Preservation or Improvement of their Capital; and therefore, every Attempt to regulate it upon the same Principles, must inevitably fail. When it is considered that a certain Share in the Stock gives a Share in the Government of so vast an Empire, with such a boundless Patronage, civil, military, marine, commercial, and financial, in every Department of which such Fortunes have been made, as could be made nowhere else, it is impossible not to perceive that Capitals, far superior
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to any Qualifications appointed to Proprietors, or even to Directors, would readily be laid out for a Participation in that Power. The India Proprietor therefore will always be in the first Instance a Politician ; and the bolder his Enterprize, and the more corrupt his Views, the less will be his Consideration of the Price to be paid for compassing them. The new Regulations did not reduce the Number so low as not to leave the Assembly still liable to all the Disorder which might be supposed to arise from Multitude. But, if the Principle had been well established, and well executed, a much greater inconveniency grew out of the Reform than that which had attended the old Abuse ; for if Tumult and Disorder be lessened by reducing the Number of Proprietors, private Cabal and Intrigue are facilitated at least in an equal Degree ; and it is Cabal and Corruption, rather than Disorder and Confusion, that was most to be dreaded in transacting the Affairs of India. Whilst the Votes of the smaller Proprietors continued, a Door was left open for the public Sense to enter into that Society : Since that Door has been closed, the Proprietary has become (even more than formerly) an Aggregate of private Interests, which subsist at the Expence of the collective Body. At the Moment of this Revolution in the Proprietary, as it might naturally be expected, those who had either no very particular Interest in their Vote, or but a petty Object to pursue, immediately disqualified ; but those who were deeply interested in the Company's Patronage ; those who were concerned in the Supply of Ships, and of the other innumerable Objects required for their immense Establishments ; those who were engaged in Contracts with the Treasury, Admiralty, and Ordnance, together with the Clerks in Public Offices, found Means of securing Qualifications at the enlarged Standard. All these composed a much greater Proportion than formerly they had done of the Proprietary Body.

Against the great, predominant, radical, Corruption of the Court of Proprietors, the raising the Qualification proved no Sort of Remedy. The Return of the Company's Servants into Europe, poured in a constant Supply of Proprietors, whose Ability to purchase the highest Qualifications for themselves, their Agents, and Dependents, could not be dubious. And this latter Description form a very considerable, and by far the most active and efficient Part of that Body. To add to the Votes, which is adding to the Power, in Proportion to the Wealth of Men, whose very Offences were supposed to consist in Acts, which lead to the Acquisition of enormous Riches, appears by no Means a well-considered Method of checking Rapacity and Oppression. In Proportion as these Interests prevailed, the Means of Cabal, of Concealment, and of corrupt Confederacy, became far more easy than before. Accordingly, there was no Fault, with respect to the Company's Government over its Servants, charged or chargeable on the

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General Court as it originally stood, of which, since the Reform, it has not been notoriously guilty. It was not therefore a Matter of Surprize to Your Committee, that the General Court, so composed, has at length grown to such a Degree of Contempt, both of its Duty and of the permanent Interest of the whole Corporation, as to put itself into open Defiance of the salutary Admonitions of this House, given for the Purpose of asserting and enforcing the legal Authority of their own Body over their own Servants.

The Failure in this Part of the Reform of 1773, is not stated by Your Committee as recommending a Return to the ancient Constitution of the Company, which was nearly as far as the new from containing any Principle tending to the Prevention or Remedy of Abuses; but to point out the probable Failure of any future Regulations, which do not apply directly to the Grievance, but which may be taken up as Experiments to ascertain Theories of the Operation of Councils formed of greater or lesser Numbers, or such as shall be composed of men of more or less Opulence, or of Interests of newer or longer standing, or concerning the Distribution of Power to various Descriptions or Professions of Men, or of the Election to Office by one Authority, rather than another.

The Second Object of the Act was, the Court of Directors. Under the Arrangement of the Year 1773, that Court appeared to have its Authority much strengthened. It was made less dependent than formerly upon its Constituents the Proprietary. The Duration of the Directors in Office was rendered more permanent, and the Tenure itself diversified by a varied and intricate Rotation. At the same Time their Authority was held high over their Servants of all Descriptions; and the only Rule prescribed to the Council General of Bengal, in the Exercise of the large and ill-defined Powers given to them, was, that they were to yield Obedience to the Orders of the Court of Directors. As to the Court of Directors itself, it was left with very little Regulation. The Custom of Ballot, infinitely the most mischievous in a Body possessed of all the ordinary executive Powers, was still left; and Your Committee have found the ill Effects of this Practice in the Course of their Enquiries. Nothing was done to oblige the Directors to attend to the Promotion of their Servants according to their Rank and Merits. In judging of those Merits, nothing was done to bind them to any Observation of what appeared on their Records. Nothing was done to compel them to Prosecution or Complaint where Delinquency became visible. The Act indeed prescribed, that no Servant of the Company abroad should be eligible into the Direction until Two Years after his Return to England. But as this Regulation rather presumes than provides for an Enquiry into their Conduct, a very ordinary Neglect in the Court of Directors might easily defeat it, and

and a short Remission might in this particular operate as a total Indemnity. In Fact, however, the Servants have of late seldom attempted a Seat in the Direction; an Attempt which might possibly rouse a dormant Spirit of Enquiry; but, satisfied with an Interest in the Proprietary, they have, through that Name, brought the Direction very much under their own Controul.

As to the general Authority of the Court of Directors, there is Reason to apprehend, that on the Whole it was somewhat degraded by the Act, whose professed Purpose was to exalt it; and that the only Effect of the Parliamentary Sanction to their Orders has been, that along with those Orders the Law of the Land has been despised and trampled under Foot. The Directors were not suffered either to nominate or to remove those, whom they were impowered to instruct: From Masters they were reduced to the Situation of Complainants; a Situation, the Imbecillity of which no Laws or Regulations could wholly alter; and when the Directors were afterwards restored in some Degree to their ancient Power, on the Expiration of the Lease given to their principal Servants, it became impossible for them to recover any Degree of their ancient Respect, even if they had not, in the mean Time, been so modelled, as to be entirely free from all Ambition of that Sort.

From that Period, the Orders of the Court of Directors became to be so habitually despised by their Servants abroad, and at length to be so little regarded even by themselves, that this Contempt of Orders forms almost the whole Subject Matter of the voluminous Reports of Two of Your Committees. If any Doubt however remains concerning the Cause of this fatal Decline of the Authority of the Court of Directors, no Doubt whatsoever can remain of the Fact itself, nor of the total Failure of one of the great leading Regulations of the Act of 1773.

The third Object, was a new Judicial Arrangement; the chief Purpose of which was, to form a strong and solid Security for the Natives against the Wrongs and Oppressions of British Subjects resident in Bengal. An operose and expensive Establishment of a Supreme Court was made, and charged upon the Revenues of the Country. The Charter of Justice was by the Act left to the Crown, as well as the Appointment of the Magistrates. The Defect in the Institution seemed to be this; that no Rule was laid down, either in the Act or the Charter, by which the Court was to judge. No Descriptions of Offenders, or Species of Delinquency, were properly ascertained according to the Nature of the Place, or to the prevalent Mode of Abuse. Provision was made for the Administration of Justice in the remotest Part of Hindostan, as if it were a Province in Great Britain. Your Committee have long had the Constitution and Conduct of this Court

Court before them; and they have not yet been able to discover very few Instances (not one appears to them of leading Importance) of Relief given to the Natives against the Corruptions or Oppressions of British Subjects in Power.—Though they do find one very strong and marked Instance of the Judges having employed an unwarrantable Extension or Application of the Municipal Law of England, to destroy a Person of the highest Rank among those Natives whom they were sent to protect. One Circumstance rendered the Proceedings in this Case fatal to all the good Purposes for which the Court had been established. The Sufferer (the Rajah Nundcomar) appears, at the very Time of this extraordinary Prosecution, a Discoverer of some Particulars of illicit Gain then charged upon Mr. Hastings, the Governor General. Although in ordinary Cases, and in some lesser Instances of Grievances, it is very probable that this Court has done its Duty, and has been, as every Court must be, of some Service; yet One Example of this Kind must do more towards deterring the Natives from Complaint, and consequently from the Means of Redress, than many Decisions favourable to them, in the ordinary Course of Proceeding, can do for their Encouragement and Relief. So far as Your Committee has been able to discover, the Court has been generally terrible to the Natives, and has distracted the Government of the Company, without substantially reforming any one of its Abuses.

This Court, which in its Constitution seems not to have had sufficiently in View the Necessities of the People for whose Relief it was intended, and was, or thought itself bound, in some Instances, to too strict an Adherence to the Forms and Rules of English Practice, in others, was framed upon Principles perhaps too remote from the Constitution of English Tribunals. By the usual Course of English Practice, the far greater Part of the Redress to be obtained against Oppressions of Power, is by Process in the Nature of Civil Actions. In these, a Trial by Jury is a necessary Part with regard to the finding the Offence, and to the Assessment of the Damages.—Both these were in the Charter of Justice, left entirely to the Judges.—It was presumed, and not wholly without Reason, that the British Subjects were liable to fall into Factions and Combinations, in order to support themselves in the Abuses of an Authority, of which every Man might, in his Turn, become a Sharer. And with regard to the Natives, it was presumed (perhaps a little too hastily) that they were not capable of sharing in the Functions of Jurors: But it was not foreseen that the Judges were also liable to be engaged in the Factions of the Settlement; and if they should ever happen to be so engaged, that the native People were then without that Remedy, which obviously lay in the Chance that the Court and Jury, though
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both liable to Bias, might not easily unite in the same identical Act of Injustice, Your Committee, on full Enquiry, are of Opinion, *that the Use of Juries is neither impracticable nor dangerous in Bengal.*

Your Committee refer to their Report made in the Year 1781, for the Manner in which, this Court attempting to extend its Jurisdiction, and falling with extreme Severity on the Native Magistrates, a violent Contest arose between the English Judges, and the English Civil Authority. This Authority calling in the Military Arm, (by a most dangerous Example) overpowered, and for a while suspended the Functions of the Court; but at length those Functions, which were suspended by the Quarrel of the Parties, were destroyed by their Reconciliation, and by the Arrangements made in consequence of it. By these the Court was virtually annihilated; or if substantially it exists, it is to be apprehended it exists only for Purposes very different from those of its Institution.

The Fourth Object of the Act of 1773 was the Council General. This Institution was intended to produce Uniformity, Consistency, and the effective Co-operation of all the Settlements in their common Defence. By the ancient Constitution of the Company's Foreign Settlements, they were each of them under the Orders of a President or Chief, and a Council, more or fewer, according to the Discretion of the Company; among those, Parliament (probably on Account of the Largeness of the Territorial Acquisitions, rather than the Conveniency of the Situation) chose Bengal for the Residence of the controlling Power, and dissolving the Presidency, appointed a new Establishment upon a Plan somewhat similar to that which had prevailed before; but the Number was smaller. This Establishment was composed of a Governor General and Four Counsellors, all named in the Act of Parliament. They were to hold their Offices for five Years; after which Term the Patronage was to revert to the Court of Directors. In the mean Time, such Vacancies as should happen, were to be filled by that Court, with the Concurrence of the Crown. The first Governor General and one of the Counsellors had been old Servants of the Company, the others were new Men.

On this new Arrangement, the Courts of Proprietors and Directors considered the Details of Commerce as not perfectly consistent with the enlarged Sphere of Duty, and the reduced Number of the Council: Therefore, to relieve them from this Burthen, they instituted a new Office, called the Board of Trade, for the subordinate Management of their commercial Concerns; and appointed Eleven of the senior Servants to fill the Commission.

The Powers given by the Act to the new Governor General and Council, had for their direct Object, the Kingdom of Bengal, and
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its Dependencies. Within that Sphere, (and it is not a small one) their Authority extended over all the Company's Concerns, of whatever Description. In Matters of Peace and War, it seems to have been meant, that the other Presidencies should be subordinate to their Board. But the Law is loose and defective, where it professes to restrain the subordinate Presidencies from making War without the Consent and Approbation of the Supreme Council. They are left free to act without it, in Cases of imminent Necessity, or, where they shall have received special Orders from the Company. The first Exception leaves it open to the Subordinate to judge of the Necessity of Measures, which, when taken, bind or involve the Superior. The Second refers a Question of Peace or War to two Jurisdictions, which may give different Judgments. In both Instances, Cases in Point have occurred. With regard to their local Administration, their Powers were exceedingly and dangerously loose and undetermined. Their Powers were not given directly, but in Words of Reference, in which, neither the Objects related to, nor the Mode of the Relation, were sufficiently expressed. Their Legislative and Executive Capacities were not so accurately drawn, and marked by such strong and penal Lines of Distinction, as to keep these Capacities separate. Where Legislative and merely Executive Powers were lodged in the same Hands, the Legislative, which is the larger and the more ready for all Occasions, was constantly resorted to. The Governor General and Council, therefore, immediately gave Constructions to their ill-defined Authority, which rendered it perfectly despotic; Constructions, which if they were allowed, no Action of theirs ought to be regarded as criminal.

Armed as they were with an Authority in itself so ample, and by Abuse so capable of an unlimited Extent, very few, and these very insufficient, Correctives were administered. Ample Salaries were provided for them, which indeed removed the Necessity, but by no Means the Inducements to Corruption and Oppression. Nor was any Barrier whatsoever opposed on the Part of the Natives against their Injustice; except the Supreme Court of Judicature, which never could be capable of controlling a Government with such Powers, without becoming such a Government itself.

There was indeed a Prohibition against all Concerns in Trade to the whole Council, and against all taking of Presents by any in Authority. A Right of Prosecution in the King's Bench was also established; but it was a Right, the Exercise of which is difficult, and in many, and those the most weighty Cases, impracticable. No considerable Facilities were given to Prosecutions in Parliament; nothing

* See the Secret Committee's Report on the Maratta War.

nothing was done to prevent Complaint from being far more dangerous to the Sufferer, than Injustice to the Oppressor. No Overt Acts were fixed, upon which Corruption should be presumed, in Transactions of which Secrecy and Collusion formed the very Basis; no Rules of Evidence, nor authentic Mode of Transmission, were settled in Conformity to the unalterable Circumstances of the Country and the People.

One Provision indeed was made for restraining the Servants, in itself very wise and substantial; a Delinquent once dismissed, could not be restored but by the Votes of three-fourths of the Directors, and three-fourths of the Proprietors: This was well aimed. But no Method was settled for bringing Delinquents to the Question of Removal; and if they should be brought to it, a Door lay wide open for Evasion of the Law, and for a Return into the Service, in Defiance of its plain Intention; that is, by resigning, to avoid Removal; by which Measure this Provision of the Act has proved as unoperative as all the rest. By this Management, a meer Majority may bring in the greater Delinquent, whilst the Person removed for Offences comparatively trivial, may remain excluded for ever.

The new Council nominated in the Act, was composed of Two totally discordant Elements, which soon distinguished themselves into permanent Parties. One of the principal Instructions which the Three Members of the Council sent immediately from England, namely, General Clavering, Colonel Monson, and Mr. Francis, carried out with them was, to "*cause the strictest Enquiry to be made into all Oppressions and Abuses,*" among which the *Practice of receiving Presents from the Natives*, at that Time generally charged upon Men in Power, was principally aimed at.

Presents to any considerable Value, were justly reputed by the Legislature, not as Marks of Attention and Respect, but as Bribes or Extortions; for which, either the beneficial and gratuitous Duties of Government were sold, or they were the Price paid for Acts of Partiality; or finally, they were sums of Money extorted from the Givers by the Terrors of Power. Against the System of Presents, therefore, the new Commission was, in general Opinion, particularly pointed. In the Commencement of Reformation, at a Period when a rapacious Conquest had overpowered and succeeded to a corrupt Government, an Act of Indemnity might have been thought advisable; perhaps a new Account ought to have been opened; all Retrospect ought to have been forbidden, at least to certain Periods. If this had not been thought advisable, none in the higher Departments of a suspected and decried Government ought to have been kept in their Posts, until an Examination had rendered

rendered their Proceedings clear, or until Length of Time had obliterated, by an even Course of irreproachable Conduct, the Errors which so naturally grow out of a new Power. But the Policy adopted was different: It was to begin with *Examples*. The Cry against the Abuses was strong and vehement throughout the whole Nation, and the Practice of Presents was represented to be as general as it was mischievous. In such a Case, indeed in any Case, it seemed not to be a Measure the most provident, without a great Deal of previous Enquiry, to place Two Persons, who from their Situation must be the most exposed to such Imputations, in the Commission which was to enquire into their own Conduct; much less to place one of them at the Head of that Commission, and with a casting Vote in Case of an Equality. The Persons who could not be liable to that Charge, were indeed Three to Two; but any accidental Difference of Opinion, the Death of any one of them, or his occasional Absence or Sickness, threw the whole Power into the Hands of the other Two, who were Mr. Hastings and Mr. Barwell, one the President, and the other high in the Council of that Establishment on which the Reform was to operate. Thus those who were liable to Process as Delinquents, were in Effect set over the Reformers; and that did actually happen, which might be expected to happen from so preposterous an Arrangement; a Stop was soon put to all Enquiries into the capital Abuses.

Nor was the great political End, proposed in the Formation of a superintending Council over all the Presidencies, better answered than that of an Enquiry into Corruptions and Abuses. The several Presidencies have acted in a great Degree upon their own separate Authority, and as little of Unity, Concert, or regular System has appeared in their Conduct, as was ever known before this Institution. India is indeed so vast a Country, and the Settlements are so divided, that the Intercourse with each other is liable to as many Delays and Difficulties as the Intercourse between distant and separate States. But one Evil may possibly have arisen from an Attempt to produce an Union, which though undoubtedly to be aimed at, is opposed in some Degree by the unalterable Nature of their Situation, that it has taught the Servants rather to look to a Superior among themselves, than to their common Superiors. This Evil growing out of the Abuse of the Principle of Subordination, can only be corrected by a very strict Enforcement of Authority over that Part of the Chain of Dependence which is next to the original Power.

That which Your Committee considers as the Fifth and last of the capital Objects of the Act, and as the binding Regulation of the Whole, is the Introduction (then for the First Time) of
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the Ministers of the Crown into the Affairs of the Company. The State claiming a Concern and Share of Property in the Company's Profits, the Servants of the Crown were presumed the more likely to preserve, with a scrupulous Attention, the Sources of the great Revenues which they were to administer, and for the Rise and Fall of which they were to render an Account.

The Interference of Government was introduced by this Act in Two Ways; one by a Controul, in effect by a Share, in the Appointment to Vacancies in the Supreme Council. The Act provided that His Majesty's Approbation should be had to the Persons named to that Duty. Partaking thus in the Patronage of the Company, Administration was bound to an Attention to the Characters and Capacities of the Persons employed in that high Trust.

The other Part of their Interference was by way of Inspection. By this Right of Inspection, every Thing in the Company's Correspondence from India, which related to the Civil or Military Affairs, and Government of the Company, was directed by the Act to be, within Fourteen Days after the Receipt, laid before the Secretary of State; and every Thing that related to the Management of the Revenues, was to be laid before the Commissioners of the Treasury: In Fact, both Description of these Papers have been generally communicated to that Board.

It appears to your Committee, that there were great and material Defects in both Parts of the Plan. With Regard to the Approbation of Persons nominated to the Supreme Council by the Court of Directors, no sufficient Means were provided for carrying to His Majesty, along with the Nomination, the Particulars in the Conduct of those who had been in the Service before, which might render them proper Objects of Approbation or Rejection. The India House possesses an Office of Record capable of furnishing, in almost all Cases, Materials for judging on the Behaviour of the Servants, in their Progress from the lowest to the highest Stations; and the whole Discipline of the Service, Civil and Military, must depend upon an Examination of these Records inseparably attending every Application for an Appointment to the highest Stations. But in the present State of the Nomination, the Ministers of the Crown are not furnished with the proper Means of exercising the Power of Controul intended by the Law, even if they were scrupulously attentive to the Use of it. There are Modes of proceeding favourable to Neglect. Others excite Enquiry, and stimulate to Vigilance.

Your Committee therefore are of Opinion, that for the future Prevention of Cabal, and of private and partial Representation, whether

whether above or below, that whenever any Person who has been in the Service, shall be recommended to the King's Ministers to fill a Vacancy in the Council General, the Secretary of the Court of Directors shall be ordered to make a strict Search into the Records of the Company; and shall annex to the Recommendation, the Reasons of the Court of Directors for their Choice, together with a faithful Copy of whatever shall be found (if any Thing can be found) relative to his Character and Conduct; as also an Account of his Standing in the Company's Service; the Time of his Abode in India; the Reasons for his Return; and the Stations, whether Civil or Military, in which he has been successively placed.

With this Account ought to be transmitted the Names of those who were proposed as Candidates for the same Office, with the correspondent Particulars relative to their Conduct and Situation: For not only the separate, but the comparative Merit, probably would, and certainly ought to have great Influence in the Approbation or Rejection of the Party presented to the Ministers of the Crown. These Papers should be laid before the Commissioners of the Treasury, and One of the Secretaries of State, and entered in Books to be kept in the Treasury and the Secretary's Office.

These Precautions, in case of the Nomination of any who have served the Company, appear to be necessary from the improper Nomination and Approbation of Mr. John Macpherson, notwithstanding the Objections which stood against him on the Company's Records. The Choice of Mr. John Stables, from an inferior Military, to the highest Civil Capacity, was by no Means proper, nor an encouraging Example to either Service. His Conduct indeed, in the Subaltern Military Situation, had received, and seems to have deserved, Commendation; but no sufficient Ground was furnished for confounding the Lines and Gradations of Service. This Measure was, however, far less exceptionable than the former; because an irregular Choice of a less competent Person, and the Preference given to proved Delinquency in prejudice to uncensured Service, are very different Things. But even this latter Appointment would in all Likelihood have been avoided, if Rules of Promotion had been established. If such Rules were settled, Candidates qualified from Ability, Knowledge and Service, would not be discouraged, by finding that every Thing was open to every Man; and that Favour alone stood in the Place of Civil or Military Experience. The Elevation from the lowest Stations unfaithfully and negligently filled, to the highest Trusts, the total Inattention to Rank and Seniority, and much more the Combination of this Neglect of Rank,

Rank, with a Confusion (unaccompanied with strong and evident Reasons) of the Lines of Service, cannot operate as useful Examples on those who serve the Public in India. These Servants, beholding Men, who have been condemned for improper Behaviour to the Company in inferior Civil Stations, elevated above them, or (what is less blameable, but still mischievous) Persons without any distinguished Civil Talents, taken from the subordinate Situations of another Line, to their Prejudice, will despair, by any good Behaviour, of ascending to the Dignities of their own; they will be led to improve to the utmost Advantage of their Fortune, the lower Stages of Power, and will endeavour to make up in Lucre what they can never hope to acquire in Station.

The temporary Appointment by Parliament of the Supreme Council of India arose from an Opinion, that the Company, at that Time at least, was not in a Condition, or not disposed to a proper Exercise of the Privileges which they held under their Charter. It therefore behoved the Directors to be particularly attentive to their Choice of Counsellors, on the Expiration of the Period during which their Patronage had been suspended. The Duties of the Supreme Council had been reputed of so arduous a Nature, as to require even a legislative Interposition. They were called upon, by all possible Care and Impartiality, to justify Parliament at least as fully in the Restoration of their Privileges, as the Circumstances of the Time had done in their Suspension.

But Interests have lately prevailed in the Court of Directors, which, by the Violation of every Rule, seemed to be resolved on the Destruction of those Privileges of which they were the natural Guardians. Every new Power given has been made the Source of a new Abuse; and the Acts of Parliament themselves, which provide but imperfectly for the Prevention of the Mischief, have, it is to be feared, made Provisions (contrary without Doubt to the Intention of the Legislature) which operate against the Possibility of any Cure in the ordinary Course.

In the original Institution of the Supreme Council, Reasons may have existed against rendering the Tenure of the Counsellors in their Office precarious. A Plan of Reform might have required the Permanence of the Persons who were just appointed by Parliament to execute it; but the Act of One thousand Seven hundred and Eighty, gave a Duration co-existent with the Statute itself, to a Council not appointed by Act of Parliament, nor chosen for any temporary or special Purpose. By which Means, the Servants in the highest Situation, let their Conduct be never

so grossly criminal, cannot be removed, unless the Court of Directors and Ministers of the Crown can be found to concur in the same Opinion of it. The Prevalence of the Indian Factions in the Court of Directors and Court of Proprietors, and sometimes in the State itself, render this Agreement extremely difficult: If the principal Members of the Direction should be in a Conspiracy with any principal Servant under Censure, it will be impracticable, because the first Act must originate there. The reduced State of the Authority of this Kingdom in Bengal, may be traced in a great Measure to that very natural Source of Independence. In many Cases, the instant Removal of an Offender from his Power of doing Mischief, is the only Mode of preventing the utter and perhaps irretrievable Ruin of Public Affairs. In such a Case, the Process ought to be simple, and the Power absolute in one, or in either Hand separately. By contriving the Balance of Interests formed in the Act, notorious Offence, gross Error, or palpable Insufficiency, have many Chances of retaining and abusing Authority, whilst the Variety of Representations, Hearings, and Conferences, and possibly the mere Jealousy and Competition between rival Powers, may prevent any Decision; and at length give Time and Means for Settlements and Compromises among Parties, made at the Expence of Justice and true Policy. But this Act of One thousand Seven hundred and Eighty, not properly distinguishing judicial Process from executive Arrangements, requires in effect nearly the same Degree of Solemnity, Delay, and Detail, for removing a political Inconvenience, which attends a criminal Proceeding for the Punishment of Offences. It goes further, and gives the same Tenure to all who shall succeed to Vacancies, which was given to those whom the Act found in Office. Another Regulation was made in the Act, which has a Tendency to render the Control of Delinquency, or the Removal of Incapacity, in the Council General, extremely difficult, as well as to introduce many other Abuses into the original Appointment of Counsellors.

The Inconveniences of a Vacancy in that important Office, at a great Distance from the Authority that is to fill it, were visible; but Your Committee have Doubts, whether they balance the Mischief which may arise from the Power given in this Act of a provisional Appointment to Vacancies, not on the Event but on Foresight. This Mode of providing for the Succession, has a Tendency to promote Cabal, and to prevent Enquiry into the Qualifications of the Persons to be appointed. An Attempt has been actually made in consequence of this Power, in a very marked Manner, to confound the whole Order and Discipline of the Company's Service. Means

are furnished thereby for perpetuating the Powers of some given Court of Directors. They may forestall the Patronage of their Successors ; on whom they entail a Line of Supreme Counsellors and Governors General. And if the exercise of this Power should happen in its Outset to fall into bad Hands, the ordinary Chances for mending an ill Choice upon Death or Resignation, are cut off.

In these Provisional Arrangements, it is to be considered, that the Appointment is not in consequence of any marked Event, which calls strongly on the Attention of the Public ; but is made at the Discretion of those who lead in the Court of Directors ; and may therefore be brought forward at Times the most favourable to the Views of Partiality and Corruption. Candidates have not therefore the Notice that may be necessary for their claims ; and as the Possession of the Office, to which the Survivors are to succeed, seems remote, all Enquiry into the Qualifications and Character of those who are to fill it, will naturally be dull and languid.

Your Committee are not also without a grounded Apprehension of the ill Effect, on any existing Council General, of all strong Marks of Influence and Favour, which appear in the Subordinates of Bengal. This previous Designation to a great and arduous Trust, (the greatest that can be reposed in Subjects) when made out of any regular Course of Succession, marks that Degree of Countenance and Support at Home, which may overshadow the existing Government. That Government may thereby be disturbed by Factions, and led to corrupt and dangerous Compliances. At best, when these Counsellors elect are engaged in no fixed Employment, and have no lawful intermediate Emolument, the natural Impatience for their Situations may bring on a Traffic for Resignations between them and the Persons in Possession, very unfavourable to the Interests of the Public, and to the Duty of their Situations.

Since the Act, Two Persons have been nominated to the Ministers of the Crown by the Court of Directors for this Succession. Neither has yet been approved. But by the Description of the Persons, a Judgment may be formed of the Principles on which this Power is likely to be exercised.

Your Committee find, that in consequence of the above-mentioned Act, the Honourable Charles Stuart and Mr. Sullivan were appointed to succeed to the first Vacancies in the Supreme Council. Mr. Stuart's first Appointment in the Company's Service was in the Year One thousand Seven hundred and Sixty-one. He returned to England in 1775, and was permitted to go back to India in 1780. In August 1781 he was nominated by the Court of Directors (Mr. Sullivan and Sir William James were Chairman and Deputy Chairman) to succeed to the first Vacancy in the Supreme Council, and

on the 19th of September following, His Majesty's Approval of such Nomination was requested.

In the Nomination of Mr. Stuart, the Consideration of Rank in the Service was not neglected ; but if the Court of Directors had thought fit to examine their Records, they would have found Matter at least strongly urging them to a Suspension of this Appointment until the Charges against Mr. Stuart should be fully cleared up. That Matter remained (as it still remains) unexplained from the Month of May 1775, where, on the Bengal Revenue Consultations of the 12th of that Month, Peculations to a large Amount are charged upon Oath against Mr. Stuart, under the following Title : "*The Particulars of the Money unjustly taken by Mr. Stuart, during the Time he was at Burdwan.*" The Sum charged against him in this Account, is 2,17,684 Sica Rupees (that is 25,253 Pounds Sterling :) Besides which, there is another Account, with the following Title : "*The Particulars of the Money unjustly taken by Callypersaud Bose, Bannyan to the Honourable Charles Stuart, Esquire, at Burdwan, and amounting to Sicca Rupees 1,01,675,*" (that is £. 11,785)—a large Sum to be received by a Person in that subordinate Situation.

The Minuteness with which these Accounts appear to have been kept, and the Precision with which the Date of each Particular, sometimes of very small Sums, is stated, give them the Appearance of Authenticity, as far as it can be conveyed on the Face, or in the Construction of such Accounts ; and if they were Forgeries, laid them open to an easy Detection. But no Detection is easy when no Enquiry is made. It appears an Offence of the highest Order, in the Directors concerned in this Business, when, not satisfied with leaving such Charges so long unexamined, they should venture to present to the King's Servants the Object of them for the highest Trust which they have to bestow. If Mr. Stuart was really guilty, the Possession of this Post must furnish him, not only with the Means of renewing the former evil Practices charged upon him, and of executing them upon a still larger Scale ; but of oppressing those unhappy Persons who, under the supposed Protection of the Faith of the Company, had appeared to give Evidence concerning his former Misdemeanors*.

This Attempt in the Directors was the more surprizing, when it is considered, that Two Committees of this House were, at that very Time, sitting upon an Enquiry that related directly to their Conduct, and that of their Servants in India.

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* See Account of a further Charge on him relative to Salt, Appendix, No. 3. B.

It was in the same Spirit of Defiance of Parliament, that, at the same Time, they nominated Mr. Sullivan, Son to the then Chairman of the Court of Directors, to the Succession to the same high Trust in India. On these Appointments Your Committee thought it proper to make those Enquiries, which the Court of Directors thought proper to omit. They first conceived it fitting to enquire what Rank Mr. Sullivan bore in the Service; and they thought it not unnecessary here, to state the Gradations in the Service, according to the established Usage of the Company.

The Company's civil Servants generally go to India as *Writers*; in which Capacity they serve the Company *Five Years*. The next Step in Point of Rank is to be a *Factor*, and next to that, a *Junior Merchant*; in each of which Capacities they serve the Company *Three Years*. They then rise to the Rank of *Senior Merchant*; in which Situation they remain till called by Rotation to the Board of Trade. Until the passing of the Regulation Act in 1773, Seniority entitled them to succeed to the *Council*, and finally, gave them Pretensions to the *Government of the Presidency*.

The above Gradation of the Service, Your Committee conceive, ought never to be superseded by the Court of Directors, without evident Reason, in Persons or Circumstances, to justify the Breach of an ancient Order. The Names, whether taken from civil or commercial Gradation, are of no Moment. The Order itself is wisely established; and tends to provide a natural Guard against Partiality, Precipitancy, and Corruption in Patronage. It affords Means and Opportunities for an Examination into Character; and among the Servants it secures a strong Motive to preserve a fair Reputation. Your Committee find, that no Respect whatsoever was paid to this Gradation in the Instance of Mr. Sullivan, nor is there any Reason assigned for departing from it. They do not find that Mr. Sullivan had ever served the Company in any one of the above Capacities, but was, in the Year 1777, abruptly brought into the Service, and sent to Madras to succeed as Persian Translator and Secretary to the Council.

Your Committee have found a Letter from Mr. Sullivan to George Wombwell, and William Devaynes, Esquires, Chairman and Deputy Chairman of the Court of Directors, stating, That he trusted *his Applications* would have a Place in their Deliberations when Madras Affairs were taken up.—Of what Nature those Applications were, Your Committee cannot discover, as no Traces of them appear on the Company's Records: nor whether any Proofs of his Ability, even as Persian Translator, which might entitle him to a Preference to the many Servants in India, whose Study and Opportunities afforded them the Means of becoming perfect Masters of that Language.

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On the above Letter Your Committee find, That the Committee of Correspondence proceeded: and on their Recommendation, the Court of Directors unanimously approved of Mr. Sullivan to be appointed to succeed to the Posts of Secretary and Persian Translator.

Conformably to the Orders of the Court, Mr. Sullivan succeeded to those Posts: and the President and Council acquainted the Court of Directors, that they had been obeyed. About five Months after, it appears that Mr. Sullivan thought fit to resign the Office of Persian Translator, to which he had been appointed by the Directors. In April, 1780, Mr. Sullivan is commended for his *great Diligence as Secretary*; in August following he obtains Leave to accompany Mrs. Sullivan to Bengal, whence she is to proceed to Europe on Account of her Health; and he is charged with a Commission from the President and Council of Fort Saint George, to obtain for that Settlement supplies of Grain, Troops, and Money, from the Governor General and Council of Bengal. In October the Governor General requests Permission of the Council there, to employ Mr. Sullivan as his *Assistant*; for that he had experienced [between his Arrival in Bengal and that Time] the Abilities of Mr. Sullivan, and made Choice of him as *completely qualified for that Trust*: Also requests the Board to appoint him Judge Advocate General; and likewise to apply to the Presidency of Madras, for him to remain in Bengal without Prejudice to his Rank on their Establishment: Which several Requests the Board at Madras readily complied with, notwithstanding their natural Sensibility to the Loss of a Secretary of such Ability and Diligence as they had described Mr. Sullivan to be.

On the 5th of December following, the President and Council received a Letter from Bengal, requesting that Mr. Sullivan might be allowed to keep his Rank. This Request brought on some Discussion. A Mr. Freeman, it seems, had acted under Mr. Sullivan as Sub Secretary, whilst his Principal obtained so much Praise for his Diligence, addressed the Board on the same Day, and observed, "That since Mr. Sullivan's Arrival, *he* [Mr. Freeman] had, *without Intermission*, done almost the *Whole* of the Duty allotted to the Post of Secretary, *which it was notorious Mr. Sullivan had paid but little Attention to*; and neither his Inclination or Duty led him to act any longer as Mr. Sullivan's Deputy."

Here Your Committee cannot avoid remarking the direct Contradiction which this Address of Mr. Freeman's gives to the Letter from the President and Council to the Court of Directors in April 1780, wherein Mr. Sullivan is praised for his "Diligence and Attention in his Office of Secretary."

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The President and Council do not shew any Displeasure at Mr. Freeman's Representation (so contrary to their own) the Truth of which they thus tacitly admit; but agree to write to the Governor General and Council, "That it could not be supposed that they could carry on the Public Business for any Length of Time without the *Services of a Secretary* and Clerk of Appeals, two Offices that required Personal Attendance, and which would be a general Injury to the Servants on their Establishment, and in particular to the Person who acted in those Capacities, as they learnt that Mr. Sullivan had been appointed Judge Advocate General in Bengal; and to request the Governor General and Council to inform Mr. Sullivan of their Sentiments, and to desire him to inform them, whether he meant to return to his Station, or to remain in Bengal."

On the 5th December, as a Mark of their Approbation of Mr. Freeman, who had so plainly contradicted their Opinion of Mr. Sullivan, the President and Council agree to appoint him to act as Secretary and Clerk of Appeals till Mr. Sullivan's Answer should arrive, with the Emoluments, and to confirm him therein, if Mr. Sullivan should remain in Bengal.

On the 14th February 1781, the President and Council received a Letter from Bengal in Reply, and stating their Request that Mr. Sullivan might reserve the Right of returning to his original Situation on the Madras Establishment, if the Court of Directors should disapprove of his being transferred to Bengal. To this Request the Board at Madras declare they have no Objection: And here the Matter rests; the Court of Directors not having given any Tokens of Approbation or Disapprobation of the Transaction.

Such is the History of Mr. Sullivan's Service from the Time of his Appointment: Such were the Qualifications, and such the Proofs of Affiduity and Diligence given by him, in holding so many incompatible Offices, (as well as being engaged in other Dealings, which will appear in their Place) when, after three Years desultory Residence in India, he was thought worthy to be nominated to the Succession to the Supreme Council. No Proof whatsoever of distinguished Capacity in any Line preceded his original Appointment to the Service, so that the Whole of his Fitness for the Supreme Council, rested upon his Conduct and Character since his Appointment as Persian Translator.

Your Committee find that His Majesty has not yet given his Approbation to the Nomination made by the Court of Directors on the 30th of August 1781, of Messrs. Stuart and Sullivan to succeed to the Supreme Council on the first Vacancies, though the Court applied for the

the Royal Approbation so long ago as the 19th of September 1781; and in these Instances the King's Ministers performed their Duty, in withholding their Countenance from a Proceeding so exceptionable and of so dangerous an Example.

Your Committee, from a full View of the Situation and Duties of the Court of Directors, are of Opinion, that effectual Means ought to be taken for regulating that Court, in such a Manner as to prevent either Rivalship with, or Subserviency to their Servants. It might therefore be proper for the House to consider, whether it is fit, that those who are, or have been within some given Time, Directors of the Company, should be capable of an Appointment to any offices in India. Directors can never properly govern those for whose Employments they are or may be themselves Candidates; they can neither protect nor coerce them with due Impartiality or due Authority.

If such Rules as are stated by Your Committee under this Head were observed in the regular Service at Home and Abroad, the Necessity of superseding the regular Service by Strangers would be more rare; and whenever the Servants were so superseded, those who put forward other Candidates would be obliged to produce a strong Plea of Merit and Ability, which, in the Judgment of Mankind, ought to overpower Pretensions so authentically established, and so rigorously guarded from Abuse.

The second Object in this Part of the Plan of the Act of 1773, namely, that of Inspection by the Ministers of the Crown, appears not to have been provided for, so as to draw the timely and productive Attention of the State on the Grievances of the People of India, and on the Abuses of its Government. By the Regulating Act, the Ministers were enabled to inspect one Part of the Correspondence, that which was received in England; but not that which went Outward. They might know something, but that very imperfectly and unsystematically, of the State of Affairs; but they were neither authorized to advance nor to retard any Measure taken by the Directors, in consequence of that State: They were not provided even with sufficient Means of knowing what any of these Measures were. And this imperfect Information, together with the Want of a direct Call to any specific Duty, might have in some Degree occasioned that Remissness, which rendered even the imperfect Powers originally given by the Act of 1773 the less efficient. This Defect was in a great Measure remedied by a subsequent Act. But that Act was not passed until the Year 1780.

Your Committee find, That during the whole Period which elapsed from 1773 to the Commencement of 1782, Disorders and Abuses of every

every Kind multiplied. Wars contrary to Policy, and contrary to public Faith, were carrying on in various Parts of India. The Allies, Dependants, and Subjects of the Company were every where oppressed; Dissentions in the Supreme Council prevailed and continued for the greater Part of that Time; the Contests between the Civil and Judicial Powers threatened that Issue to which they came at last, an armed Resistance to the Authority of the King's Court of Justice; the Orders which by an Act of Parliament the Servants were bound to obey, were avowedly and on Principle contemned; until at length the fatal Effects of accumulated Misdemeanours Abroad and Neglects at Home, broke out in the alarming Manner which Your Committee have so fully reported to this House.

In all this Time the true State of the several Presidencies, and the real Conduct of the British Government towards the Natives, was not at all known to Parliament; It seems to have been very imperfectly known even to Ministers. Indeed it required an unbroken Attention, and much Comparison of Facts and Reasonings, to form a true Judgment on that difficult and complicated System of Politics, Revenue, and Commerce, whilst Affairs were only in their Progress to that State which produced the present Enquiries. Therefore whilst the Causes of their Ruin were in the Height of their Operation, both the Company and the Natives were understood by the Public as in Circumstances the most assured and most flourishing. Inasmuch that, whenever the Affairs of India were brought before Parliament, as they were Two or Three Times during that Period, the only Subject Matter of Discussion, anywise important, was concerning the Sums which might be taken out of the Company's surplus Profits for the Advantage of the State. Little was thought of but the Disengagement of the Company from their Debts in England, and to prevent the Servants Abroad from drawing upon them, so as that Body might be enabled, without exciting Clamours here, to afford the Contribution that was demanded. All Descriptions of Persons, either here or in India, looking solely to Appearances at Home, the Reputation of the Directors depended on the keeping the Company's Sales in a Situation to support the Dividend; that of the Ministers depended on the most lucrative Bargains for the Exchequer; and that of the Servants Abroad, on the largest Investment; until at length, there is great Reason to apprehend, that unless some very substantial Reform takes place in the Management of the Company's Affairs, nothing will be left for Investment, for Dividend, or for Bargain; and India, instead of a Resource to the Public, may itself come, in no great Length of Time, to be reckoned amongst the public Burthens.

In this Manner, the Inspection of the Ministers of the Crown, the great cementing Regulation of the whole Act of 1773, has, along with all the others, entirely failed in its Effect.

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Your Committee, in observing on the Failure of this Act, do not consider the intrinsic Defects or Mistakes in the Law itself, as the sole Cause of its Miscarriage. The general Policy of the Nation with regard to this Object has been, they conceive, erroneous; and no Remedy by Laws under the Prevalence of that Policy can be effectual. Before any remedial Law can have its just Operation, the Affairs of India must be restored to their natural Order. The Prosperity of the Natives must be previously secured, before any Profit from them whatsoever is attempted. For as long as a System prevails, which regards the Transmission of great Wealth to this Country, either for the Company or the State, as its principal End, so long will it be impossible that those who are the Instruments of that Scheme, should not be actuated by the same Spirit for their own private Purposes. It will be worse: They will support the Injuries done to the Natives for their selfish Ends, by new Injuries done in favour of those before whom they are to account. It is not reasonably to be expected, that a Public, rapacious and improvident, should be served by any of its Subordinates with Disinterestedness or Foresight.

II. CONNECTION OF GREAT BRITAIN WITH INDIA.

IN order to open more fully the Tendency of the Policy which has hitherto prevailed, and that the House may be enabled, in any Regulations which may be made, to follow the Tracks of the Abuse, and to apply an appropriated Remedy to a particular Distemper; Your Committee think it expedient to consider, in some Detail, the Manner in which India is connected with this Kingdom; which is the Second Head of their Plan.

The Two great Links by which this Connection is maintained are, first, The East India Company's Commerce; and next, The Government set over the Natives by that Company, and by the Crown. The First of these Principles of Connection, namely, The East India Company's Trade, is to be first considered, not only as it operates by itself, but as having a powerful Influence over the general Policy and the particular Measures of the Company's Government. Your Committee apprehend that the present State, Nature, and Tendency of this Trade, are not generally understood.

Until the Acquisition of great Territorial Revenues by the East India Company, the Trade with India was carried on upon the common Principles of Commerce, namely, by sending out such Commodities as found a Demand in the India Market; and where that Demand

was not adequate to the reciprocal Call of the European Market for Indian Goods, by a large annual Exportation of Treasure, chiefly in Silver. In some Years that Export has been as high as Six hundred and Eighty thousand Pounds Sterling. The other European Companies trading to India, traded thither on the same Footing. Their Export of Bullion was probably larger in Proportion to the Total of their Commerce; as their Commerce itself bore a much larger Proportion to the British, than it does at this Time, or has done for many Years past. But stating it to be equal to the British, the Whole of the Silver sent annually from Europe into Hindostan, could not fall very short of Twelve or Thirteen hundred thousand Pounds a Year. This Influx of Money poured into India by an Emulation of all the Commercial Nations of Europe, encouraged Industry, and promoted Cultivation in a high Degree; notwithstanding the frequent Wars with which that Country was harrassed, and the Vices which existed in its internal Government. On the other Hand, the Export of so much Silver was sometimes a Subject of Grudging and Uneasiness in Europe; and a Commerce carried on through such a Medium, to many appeared in Speculation of doubtful Advantage. But the practical Demands of Commerce bore down those speculative Objections. The East India Commodities were so essential for animating all other Branches of Trade, and for compleating the Commercial Circle, that all Nations contended for it with the greatest Avidity. The English Company flourished under this Exportation for a very long Series of Years. The Nation was considerably benefitted both in Trade and in Revenue; and the Dividends of the Proprietors were often high, and always sufficient to keep up the Credit of the Company's Stock in Heart and Vigour.

But at, or very soon after, the Acquisition of the Territorial Revenues to the English Company, the Period of which may be reckoned as compleated about the Year 1765, a very great Revolution took place in Commerce as well as in Dominion; and it was a Revolution which affected the Trade of Hindostan with all other European Nations, as well as with that in whose Favour and by whose Power it was accomplished. From that Time Bullion was no longer regularly exported by the English East India Company to Bengal, or any Part of Hindostan; and it was soon exported in much smaller Quantities by any other Nation. A new Way of supplying the Market of Europe, by Means of the British Power and Influence, was invented; a Species of Trade (if such it may be called) by which it is absolutely impossible that India should not be radically and irretrievably ruined, although our Possessions there were to be ordered and governed upon Principles diametrically opposite to those which now prevail in the System and Practice of the British Company's Administration.

A certain Portion of the Revenues of Bengal has been for many Years set apart, to be employed in the Purchase of Goods for Exportation to England, and this is called *The Investment*. The Greatness of this Investment has been the Standard by which the Merit of the Company's principal Servants has been too generally estimated; and this main Cause of the impoverishment of India has been generally taken as a Measure of its Wealth and Prosperity. Numerous Fleets of large Ships, loaded with the most valuable Commodities of the East, annually arriving in England in a constant and encreasing Succession, imposed upon the public Eye, and naturally gave rise to an Opinion of the happy Condition and growing Opulence of a Country, whose surplus Productions occupied so vast a Space in the Commercial World. This Export from India seemed to imply also a reciprocal Supply, by which the trading Capital employed in those Productions was continually strengthened and enlarged. But the Payment of a Tribute, and not a beneficial Commerce to that Country, wore this specious and delusive Appearance.

The Fame of a great Territorial Revenue, exaggerated, as is usual in such Cases, beyond even its Value, and the abundant Fortunes of the Company's Officers, Military and Civil, which flowed into Europe with a full Tide, raised in the Proprietors of East India Stock a premature Desire of partaking with their Servants in the Fruits of that splendid Adventure. Government also thought they could not be too early in their Claims for a Share of what they considered themselves as entitled to in every Foreign Acquisition made by the Power of this Kingdom, through whatever Hands, or by whatever Means it was made. These two Parties, after some Struggle, came to an Agreement to divide between them the Profits, which their Speculation proposed to realize in England from the Territorial Revenue in Bengal. About Two hundred thousand Pounds was added to the Annual Dividends of the Proprietors. Four hundred thousand was given to the State; which, added to the old Dividend, brought a constant Charge upon the mixt Interest of Indian Trade and Revenue, of Eight hundred thousand Pounds a Year; this was to be provided for at all Events.

By that vast Demand on the Territorial Fund, the Correctives and Qualifications which might have been gradually applied to the Abuses in Indian Commerce and Government, were rendered extremely difficult.

The Practice of an Investment from the Revenue began in the Year 1766, before Arrangements were made for securing and appropriating an assured Fund for that Purpose in the Treasury, and for diffusing it from thence upon the Manufactures of the Country in a just Proportion, and in the proper Season. There was indeed for a short

short Time a Surplus of Cash in the Treasury. It was in some Shape to be sent Home to its Owners. To send it out in Silver was subject to Two manifest Inconveniencies:—First, The Country would be exhausted of its circulating Medium. A Scarcity of Coin was already felt in Bengal. Cossim Ali Khan (the Nabob whom the Company's Servants had lately set up, and newly expelled) during the short Period of his Power had exhausted the Country by every Mode of Extortion; in his Flight he carried off an immense Treasure, which has been variously computed, but by none at less than Three Millions Sterling. A Country so exhausted of its Coin, and harrassed by Three Revolutions rapidly succeeding each other, was rather an Object that stood in Need of every Kind of Refreshment and Recruit, than one which could subsist under new Evacuations. The next and equally obvious Inconvenience was to the Company itself. To send Silver into Europe, would be to send it from the best to the worst Market. When arrived, the most profitable Use which could be made of it, would be to send it back to Bengal, for the Purchase of Indian Merchandize: It was necessary therefore to turn the Company's Revenue into its Commerce. The first Investment was about Five hundred thousand Pounds, and Care was taken afterwards to enlarge it.—In the Years 1767 and 1768 it arose to Seven hundred thousand.

This new System of Trade, carried on through the Medium of Power and public Revenue, very soon produced its natural Effects. The loudest Complaints arose among the Natives, and among all the Foreigners who traded to Bengal. It must unquestionably have thrown the whole mercantile System of the Country into the greatest Confusion. With regard to the Natives, no Expedient was proposed for their Relief. The Case was serious with respect to European Powers. The Presidency plainly represented to the Directors, that some Agreement should be made with Foreign Nations, for providing their Investment to a certain Amount, or that the Deficiencies then subsisting must terminate in an open Rupture with France. The Directors, pressed by the large Payments in England, were not free to abandon their System; and all possible Means of diverting the Manufactures into the Company's Investment were still anxiously sought and pursued, until the Difficulties of the Foreign Companies were at length removed by the natural Flow of the Fortunes of the Company's Servants into Europe, in the Manner which will be stated hereafter.

But, with all these Endeavours of the Presidency, the Investment sunk in 1769, and they were even obliged to pay for a Part of the Goods to private Merchants, in the Company's Bonds bearing Interest. It was plain that this Course of Business could not hold.

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The Manufacturers of Bengal, far from being generally in a Condition to give Credit, have always required Advances to be made to them; so have the Merchants very generally; at least, since the Prevalence of the English Power in India. It was necessary therefore, and so the Presidency of Calcutta represented the Matter, to provide before-hand a Year's Advance. This required great Efforts, and they were made. Notwithstanding the Famine in 1770, which wasted Bengal in a Manner dreadful beyond all Example, the Investment, by a Variety of successive Expedients, many of them of the most dangerous Nature and Tendency, was forcibly kept up; and even in that forced and unnatural State, it gathered Strength almost every Year. The Debts contracted in the Infancy of the System were gradually reduced; and the Advances to Contractors and Manufacturers were regularly made; so that the Goods from Bengal, purchased from the Territorial Revenues, from the Sale of European Goods, and from the Produce of the Monopolies, for the Four Years which ended with 1780 (when the Investment from the Surplus Revenues finally closed) were never less than a Million Sterling, and commonly nearer Twelve hundred thousand Pounds. This Million is the lowest Value of the Goods sent to Europe for which no Satisfaction is made*.

About an Hundred thousand Pounds a Year is also remitted from Bengal, on the Company's Account, to China; and the Whole of the Product of that Money flows into the direct Trade from China to Europe. Besides this, Bengal sends a regular Supply, in Time of Peace, to those Presidencies which are unequal to their own Establishment. To Bombay, the Remittance in Money, Bills, or Goods, for none of which there is a Return, amounts to One hundred and Sixty thousand Pounds a Year at a Medium.

The Goods, which are exported from Europe to India, consist chiefly of Military and Naval Stores, of Cloathing for Troops, and of other Objects for the Consumption of the Europeans residing there; and, excepting some Lead, Copper Utensils and Sheet Copper, Woollen Cloth, and other Commodities of little comparative Value, no Sort of Merchandize is sent from England that is in Demand for the Wants or Desires of the Native Inhabitants.

When an Account is taken of the Intercourse (for it is not Commerce) which is carried on between Bengal and England, the pernicious Effects of the System of Investment from Revenue will appear in the strongest Point of View. In that View, the whole exported

* The Sale, to the Amount of about One hundred thousand Pounds Annually, of the Export from Great Britain, ought to be deducted from this Million.

Produce of the Country (so far as the Company is concerned) is not exchanged in the Course of Barter; but is taken away without any Return or Payment whatsoever. In a Commercial Light therefore, England becomes Annually Bankrupt to Bengal, to the Amount nearly of its whole Dealing; or rather, the Country has suffered what is tantamount to an Annual Plunder of its Manufactures and its Produce to the Value of Twelve hundred Thousand Pounds.

In Time of Peace, Three foreign Companies appear at First Sight to bring their Contribution or Trade to the Supply of this continual Drain. These are the Companies of France, Holland, and Denmark. But when the Object is considered more nearly, instead of Relief, these Companies, who from their Want of Authority in the Country might seem to trade upon a Principle merely Commercial, will be found to add their full Proportion to the Calamity brought upon Bengal by the destructive System of the ruling Power; because the greater Part of the Capital of all these Companies, and perhaps the whole Capital of some of them, is furnished exactly as the British is, out of the Revenues of the Country. The Civil and Military Servants of the English East India Company being restricted in drawing Bills upon Europe, and none of them ever making or proposing an Establishment in India, a very great Part of their Fortunes, well or ill gotten, is in all Probability thrown, as fast as required, into the Cash of these Companies.

In all other Countries, the Revenue, following the natural Course and Order of Things, arises out of their Commerce. Here, by a mischievous Inversion of that Order, the whole Foreign Maritime Trade, whether English, French, Dutch, or Danish, arises from the Revenues; and these are carried out of the Country, without producing any Thing to compensate so heavy a Loss.

Your Committee have not been able to discover the entire Value of the Investment made by Foreign Companies. But as the Investment which the English East India Company derived from its Revenues, and even from its public Credit, is for the Year 1783 to be wholly stopped, it has been proposed to private Persons, to make a Subscription for an Investment on their own Account. This Investment is to be equal to the Sum of £. 800,000. Another Loan has been also made for an Investment on the Company's Account to China, of £. 200,000. This makes a Million; and there is no Question, that much more could be readily had for Bills upon Europe. Now, as there is no Doubt that the Whole of the Money remitted is the Property of British Subjects (none else having any Interest in remitting to Europe) it is not unfair to suppose, that a very great Part if not the Whole of what may find its Way into this new Channel is not newly created, but only diverted from those Channels
in

in which it formerly ran, that is, the Cash of the Foreign Trading Companies.

Besides the Investment made in Goods by Foreign Companies, from the Funds of British Subjects, these Subjects have been for some Time in the Practice of sending very great Sums in Gold and Silver directly to China on their own Account. In a Memorial presented to the Governor General and Council, in March 1782, it appears, that the Principal Money lent by British Subjects, to One Company of Merchants in China, then amounted to Seven Millions of Dollars, about One Million Seven hundred thousand Pounds Sterling; and not the smallest Particle of Silver sent to China ever returns to India. It is not easy to determine in what Proportions this enormous Sum of Money has been sent from Madras, or from Bengal, but it equally exhausts a Country belonging to this Kingdom, whether it comes from the one or from the other.

But that the Greatness of all these Drains, and their Effects, may be rendered more visible, Your Committee have turned their Consideration to the Employment of those Parts of the Bengal Revenue which are not employed in the Company's own Investments for China and for Europe. What is taken over and above the Investment (when any Investment can be made) from the gross Revenue, either for the Charge of Collection or for Civil and Military Establishments, is in Time of Peace Two Millions at the least. From the Portion of that Sum which goes to the Support of Civil Government the Natives are almost wholly excluded, as they are from the principal Collections of Revenue. With very few Exceptions, they are only employed as Servants and Agents to Europeans, or in the inferior Departments of Collection, when it is absolutely impossible to proceed a Step without their Assistance. For some Time after the Acquisition of the Territorial Revenue, the Sum of Four Hundred and Twenty Thousand Pounds a Year was paid, according to the Stipulation of a Treaty, to the Nabob of Bengal for the Support of his Government. This Sum, however inconsiderable, compared to the Revenues of the Province, yet, distributed through the various Departments of Civil Administration, served in some Degree to preserve the Natives of the better Sort, particularly those of the Mahomedan Profession, from being utterly ruined. The People of that Persuasion not being so generally engaged in Trade, and not having on their Conquest of Bengal divested the antient Gentû Proprietors of their Lands of Inheritance, had for their chief, if not for their sole Support, the Share of a moderate Conqueror in all Offices Civil and Military. But Your Committee find that this Arrangement was of a short Duration. Without the least Regard to the Subsistence of this innocent People,

People, or to the Faith of the Agreement, on which they were brought under the British Government, this Sum was reduced by a new Treaty to £.320,000; and soon after, (upon a Pretence of the present Nabob's Minority, and a temporary Sequestration for the Discharge of his Debts) to £.160,000: But when he arrived at his Majority, and when the Debts were paid, if ever they were paid, the Sequestration still continued. And, so far as the late Advices may be understood, the Allowance to the Nabob appears still to stand at the reduced Sum of £.160,000.

The other Resource of the Mahomedans, and of the Gentūs of certain of the higher Casts, was the Army. In this Army, Nine-tenths of which consists of Natives, no Native of whatever Description holds any Rank higher than that of a *Subadar Commandant*, that is, of an Officer below the Rank of the English Subaltern, who is appointed to each Company of the Native Soldiery.

Your Committee here would be understood to state the ordinary Establishment, for the War may have made some Alteration: All the honourable, all the lucrative Situations of the Army, all the Supplies and Contracts of whatever Species that belong to it, are solely in the Hands of the English; so that whatever is beyond the mere Subsistence of a common Soldier and some Officers of a lower Rank, together with the immediate Expences of the English Officers at their Table, is sooner or later, in one Shape or another sent out of the Country.

Such was the State of Bengal even in Time of profound Peace, and before the whole Weight of the public Charge fell upon that unhappy Country for the Support of other Parts of India, which have been desolated in such a Manner as to contribute little or nothing to their own Protection.

Your Committee have given this short comparative Account of the Effects of the Maratime Traffic of Bengal when in its natural State, and as it has stood since the Prevalence of the System of an Investment from the Revenues. But before the Formation of that System, Bengal did by no Means depend for its Resources on its Maritime Commerce. The inland Trade, from whence it derived a very great Supply of Silver and Gold, and many Kinds of merchantable Goods, was very considerable.—The higher Provinces of the Mogul Empire were then populous and opulent, and Inter-course to an immense Amount was carried on between them and Bengal. A great Trade also passed through these Provinces from all the Countries on the Frontier of Persia and the Frontier Provinces of Tartary, as well as from Surat and Baroach on the Western Side of India. These Parts opened to Bengal a Communication with the Persian Gulph and with the Red Sea, and through

through them with the whole Turkish and the maritime Parts of the Persian Empire, besides the commercial Intercourse which it maintained with those and many other Countries through its own Sea Ports.

During that Period, the Remittances to the Mogul's Treasury from Bengal were never very large, at least for any considerable Time; nor very regularly sent; and the Impositions of the State were soon repaid with Interest, through the Medium of a lucrative Commerce. But the Disorders of Persia, since the Death of Kouli Khan, have wholly destroyed the Trade of that Country. And the Trade to Turkey, by Judda and Bussorah, which was the greatest and perhaps best Branch of the Indian Trade, is very much diminished. The Fall of the Throne of the Mogul Emperors, has drawn with it that of the great Marts of Agra and Delhi. The utmost Confusion of the North-western Provinces followed this Revolution, which was not absolutely complete, until it received the last Hand from Great Britain. Still greater Calamities have fallen upon the *fine* Provinces of Rohilcund and Oude, and on the Countries of Corah and Allahabad. By the Operations of the British Arms and Influence, they are in many Places turned to mere Deserts*, or so reduced and decayed as to afford very few Materials, or Means of Commerce.

Such is the actual Condition of the Trade of Bengal, since the Establishment of the British Power there. The Commerce of the Carnatic, as far as the Enquiries of Your Committee have extended, did not appear with a better Aspect, even before the Invasion of Hyder Ali Khan, and the consequent Desolation; which, for many Years to come, must exclude it from any considerable Part of the trading System.

It appears on the Examination of an intelligent Person concerned in Trade, and who resided at Madras for several Years, That on his Arrival there, which was in the Year 1767, that City was in a flourishing Condition, and one of the First Marts in India; but when he left it in 1779, there was little or no Trade remaining, and but One Ship belonging to the whole Place. The Evidence of this Gentleman purports, that at his first Acquaintance with the Carnatic, it was a well-cultivated and populous Country, and as such, consumed many Articles of Merchandize: that at his Departure, he left it much circumscribed in Trade, greatly in the Decline as to Population and Culture, and with a correspondent Decay of the Territorial Revenue.

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* See the Papers of Farruckabad.

Your Committee finds, that there has also been from Madras an Investment of the Company's Account, taking one Year with another, very nearly on the same Principles, and with the same Effects, as that from Bengal; and they think it is highly probable, that besides the large Sums remitted directly from Madras to China, there has likewise been a great deal on a private Account, for that and other Countries, invested in the Cash of Foreign Europeans Powers trading on the Coast of Coromandel. But Your Committee have not extended their Enquiries relative to the Commerce of the Countries dependent on Madras, so far as they have done with regard to Bengal. They have Reason to apprehend that the Condition is rather worse: But if the House requires a more minute Examination of this important Subject, Your Committee is willing to enter into it without Delay.

III. EFFECT OF THE REVENUE INVESTMENT ON THE COMPANY.

HITHERTO, Your Committee has considered this System of Revenue Investment, substituted in the Place of a Commercial Link between India and Europe, so far as it affects India only: They are now to consider it as it affects the Company. So long as that Corporation continued to receive a vast Quantity of Merchantable Goods, without any Disbursement for the Purchase, so long it possessed wherewithal to continue a Dividend, to pay Debts, and to contribute to the State. But it must have been always evident to considerate Persons, that this vast Extraction of Wealth from a Country lessening in its Resources in Proportion to the Encrease of its Burthens, was not calculated for a very long Duration. For a While, the Company's Servants kept up this Investment, not by improving Commerce, Manufacture, or Agriculture, but by forcibly raising the Land Rents, on the Principles and in the Manner hereafter to be described. When these Extortions disap-
appointed

pointed, or threatened to disappoint Expectation, in order to purvey for the Avarice which raged in England, they sought for Expedients in Breaches of all the Agreements by which they were bound by any Payment to the Country Powers, and in exciting Disturbances among all the neighbouring Princes. Stimulating their Ambition, and fomenting their mutual Animosities, they sold to them reciprocally their common Servitude and Ruin.

The Governor General, Mr. Hastings, and the Council, tell the Directors, "That the Supply for the Investment has arisen from *casual* and *extraordinary* Resources, which they could not expect *always* to command." In an earlier Minute he expresses himself still more distinctly; he says, "If the Internal Resources of a State fail it, or are not equal to its *occasional* Wants, whence can it obtain immediate Relief, but from *external* Means?" Indeed the Investment has not been for any long Time the natural Product of the Revenue of Bengal: When by the vast Charge, and by the ill Return of an evil Political and Military Traffic, and by a prodigal Increase of Establishments, and a profuse Conduct in distributing Agencies and Contracts, they found themselves under Difficulties, instead of being cured of their immoral and impolitic Delusion, they plunged deeper into it, and were drawn from Expedient to Expedient for the Supply of the Investment, into that endless Chain of Wars, which this House, by its Resolutions, has so justly condemned. At Home these Measures were sometimes countenanced, sometimes winked at, sometimes censured, but always with an Acceptance of whatever Profit they afforded.

At length the Funds for the Investment, and for these Wars, together could no longer be supplied. In the Year 1778, the Provision for the Investment from the Revenues, and from the Monopolies, stood very high. It was estimated at a Million Four hundred thousand Pounds; and of this it appears that a great deal was realised. But this was the high Flood Tide of the Investment; for in that Year they announce its probable Decline; and that such extensive Supplies could not be continued. The Advances to the Board of Trade became less punctual, and many Disputes arose about the Time of making them. However, knowing that all their Credit at Home depended on the Investment, or upon an Opinion of its Magnitude, whilst they repeat their Warning of a probable Deficiency, and that their "Finances bore an unfavourable Aspect," in the Year 1779, they rate their Investment still higher. But their Payments becoming less and less regular, and the War carrying away all the Supplies, at length Mr. Hastings,

in December 1780, denounced Sentence of approaching Dissolution, to this System, and tells the Directors that "He bore too high a Respect for their Characters, to treat them with the Management of a preparatory and gradual Introduction to an unpleasing Report. That it is the *only substantial* Information he shall have to convey in that Letter." In Confidence therefore of their Fortitude, he tells them without Ceremony, "That there will be a Necessity of making a large Reduction, or possibly a *total Suspension* of their Investment;—that they had already been reduced to borrow near £. 700,000. This Resource (says he) cannot last; it must cease at a certain Period, and that perhaps not far distant."

He was not mistaken in his Prognostic. Loans now becoming the regular Resource for retrieving the Investment, whose Ruin was inevitable, the Council enable the Board of Trade, in April 1781, to grant Certificates for Government Bonds at Eight per Cent. Interest, for about £. 650,000.——The Investment was fixed at £. 900,000.

But now another alarming System appeared. These new Bonds overloaded the Market: Those which had been formerly issued, were at a Discount; the Board of Trade was obliged to advance, therefore, a Fourth more than usual to the Contractors. This seemed to satisfy that Description of Dealers. But as those who bought on Agency were limited to no Terms of mutual Advantage; and the Bonds on the new Issue falling from Three to Eight, Nine, and Ten per Cent. Discount. The Agents were unable to furnish at the usual Prices. Accordingly a Discount was settled on such Terms as could be made: The lowest Discount, and that at two Places only, was at Four per Cent. which with the Interest on the Bonds made (besides the earlier Advance) at the least Twelve per Cent. additional Charge upon all Goods. It was evident, that as the Investment, instead of being supported by the Revenues, was sunk by the Fall of their Credit; so the net Revenues were diminished by the daily Accumulation of an Interest accruing on Account of the Investment.——What was done to alleviate one Complaint thus aggravating the other, and at length proving pernicious to both, this Trade on Bonds likewise came to its Period.

Your Committee has Reason to think, that the Bonds have since that Time sunk to a Discount much greater even than what is now stated. The Board of Trade justly denominates their Resource for that Year, "the sinking Credit of a Paper Currency, labouring, from the uncommon Scarcity of Specie, under Disadvantages scarcely surmountable." From this they value themselves

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“on having effected an *often* *sible* Provision, at least for that Investment.” For 1783, nothing appears even *often* *sible*.

By this Failure, a total Revolution ensued of the most extraordinary Nature, and to which Your Committee wish to call the particular Attention of the House. For the Council General, in their Letter of the 8th of April, 1782, after stating that they were disappointed in their Expectations, (how grounded it does not appear) “thought that they should be able to spare a Sum to the Board of Trade”—tell the Court of Directors—“that they had adopted a new Method of keeping up the Investment, by private Subscribers for Eighty Lacks of Rupees, which will find *Cargoes* for their Ships on the usual Terms of Privilege, at the *Risque* of the Individuals; and is to be repaid to them according to the Produce of the Sales in England.” And they tell the Directors, that “a Copy of the Plan makes a Number in their separate Dispatches over Land.”

It is impossible, in reporting this Revolution to the House, to avoid remarking with what Fidelity Mr. Hastings and his Council have adhered to the Mode of transmitting their Accounts, which Your Committee found it necessary to mark and censure in their First Report. Its pernicious Tendency is there fully set forth. They were peculiarly called on for a most accurate State of their Affairs, in order to explain the Necessity of having Recourse to such a scheme, as well as for a full and correct Account of the Scheme itself. But they send only the above short Minute, by One Dispatch over Land, whilst the Copy of the Plan itself, on which the Directors must form their Judgment, is sent separately in another Dispatch over Land, which has never arrived. A Third Dispatch, which also contained the Plan, was sent by a Sea Conveyance, and arrived late. The Directors have, for very obvious Reasons, ordered, by a strict Injunction, that they should send *Duplicates* of all their Dispatches by *every Ship*. The Spirit of this Rule perhaps ought to extend to every Mode of Conveyance. In this Case, so far from sending a Duplicate, they do not send even One perfect Account. They announce a Plan by one Conveyance, and they send it by another Conveyance, with other Delays and other Risques.

At length, at nearly Four Months Distance, the Plan has been received; and appears to be substantially that which had been announced, but developing in the Particulars many new Circumstances of the greatest Importance. By this Plan it appears, that the Subscription, even in Idea or Pretence, is not for the Use of the Company; but that the Subscribers are united into a Sort of Society

Society for the remitting their *private Fortunes*: The Goods indeed are said to be *shipped on the Company's Account*, and they are directed to be sold on the same Account, and at the usual Periods of Sales; but, after the Payment of Duties, and such other Allowances as they choose to make, in the 11th Article they provide, "that the *Remainder of the Sales shall revert to the Subscribers* and be declared *to be their Property*, and divided in Proportion to *their respective Shares*." The Compensation which they allow in this Plan to their Masters for their Brokerage is, that if (after deducting all the Charges which they impose) "the Amount of the Sales *should be found to exceed Two Shillings and Two-pence for the current Rupee of the Invoice Account*, it shall be taken by the Company." For the Management of this Concern in Bengal they choose Commissioners by their own Authority. By the same Authority they form them into a Body; they put them under Rules and Regulations; and they empower them also to make Regulations of their own. They remit by the like Authority the Duties to which all private Trade is subject, and they charge the whole Concern with *Seven per Cent.* to be paid from the net Produce of the Sales in England, as a Recompence to the Commissioners; for this the Commissioners contract to bear all the Charges on the Goods to the Time of Shipping.

The Servants having formed this Plan of Trade, and a new Commission for the Conduct of it, on their private Account,—it is a Matter of Consideration, to know who the Commissioners are. They turn out to be the Three Senior Servants of the Company's Board of Trade, who choose to take upon them to be the Factors of others, for large Emoluments, whilst they receive Salaries of Two thousand Pounds and Fifteen hundred Pounds a Year from the Company. As the Company have no other Fund than the new Investment from whence they are to be paid for the Care of their Servants Property, this Commission and those Salaries being to take place of their Brokerage, they in effect render it very difficult, if not impossible, for them to derive Advantage from their new Occupation.

As to the Benefit of this Plan: Besides preventing the Loss which must happen from the Company's Ships returning empty to Europe, and the stopping of all Trade between India and England, the Authors of it state, that it will "open a new Channel of Remittance," and abolish the Practice, by precluding the Necessity, of remitting *private Fortunes by foreign Bottoms*; and that it may lead to "some permanent Mode for Remittance of private Fortunes, and combining it with the regular Provision of the Company's Investment"

“vestment. That it will yield *some Profit* to the Company without “Risque; and the national Gain will be the same as upon the “regular Trade.”

As to the Combination of this Mode of Remittance with the Company's Investment, nothing can be affirmed concerning it, until some satisfactory Assurance can be held out, that such an Investment can ever be realised. Mr. Hastings, and the Gentlemen of the Council, have not afforded any Ground for such an Expectation. That the Indian Trade may become a permanent Vehicle of the private Fortunes of the Company's Servants, is very probable; that is, as permanent as the Means of acquiring Fortunes in India; but that *some Profit* will accrue to the Company, is absolutely impossible. The Company are to bear all the Charge outwards, and a very great part of that homewards; and their only Compensation is the Surplus Commission on the Sale of other People's Goods. The Nation will undoubtedly avoid great Loss and Detriment, which would be the inevitable Consequence of the total Cessation of the Trade with Bengal, and the Ships returning without Cargoes. But if this temporary Expedient should be improved into a System, no occasional Advantages to be derived from it, would be sufficient to balance the Mischiefs of finding a great parliamentary Corporation turned into a Vehicle for remitting to England the private Fortunes of those, for whose Benefit the territorial Possessions in India are, in Effect and Substance, under this Project, to be *solely* held.

By this extraordinary Scheme, the Company is totally overturned, and all its Relations inverted. From being a Body concerned in Trade on their own Account, and employing their Servants as Factors, the Servants have at One Stroke taken the whole Trade into their own Hands, on their own Capital of £. 800,000, at their own Risque; and the Company are become Agents and Factors to them, to sell by Commission *their* Goods for *their* Profit.

To enable Your Committee to form some Judgment upon the Profit which may accrue to the Company from its new Relation and Employment, they directed, that an Estimate should be made of the probable Proceeds of an Investment conducted on the Principles of

of that Intended to be realized for 1783. By this Estimate,* which is subjoined, it appears to Your Committee, that so far from any surplus Profit from this Transaction, the Bengal Adventurers themselves, instead of realizing 2 s. 2 d. the Rupee (the Standard they fix for their Payment) will not receive the 1 s. 9 d. which is its utmost Value in Silver at the Mint; nor probably above 1 s. 5 d. With this certain Loss before their Eyes, it is impossible that they can ever

* **ESTIMATE** of the Sale Amount, and Net Proceeds in England, of the Cargoes to be sent from Bengal, agreeable to the Plan received by Letter dated the 8th April 1782.

This Calculation supposes the 80 Lack Investments will be equal to the Tonnage of Five Ships.

1. To Custom	£ 320,000	21. By Sale Amount of Piece Goods and Raw Silk	£ 1,300,000
2. — Freight	100,000	Discount 6½ per C. allowed the Buyers	84,500
3. — 5 per Cent. Duty on	£ 1,300,000		
	65,000		
4. — 2 Do. Warehouse-Room ditto	26,000		
5. — 7 Do. Commission on	£ 664,500		
	42,315		
	£ 653,315		
6. Balance	562,185		
	£ 1,215,500		

a 1. The Sale Amount is computed on an Average of the Sales of the Two last Years Imports.

b 2. The Custom is computed on an Average of what paid on Piece Goods and Raw Silk of said Imports, adding additional Imposts.

c 3. The Ships going out of this Season (1782) by which the above Investment is expected to be sent Home, are taken up at £ 47. 5s per Ton, for the homeward Cargo; this Charge amounts to £ 35,815 each Ship; the additional Wages to the Men, which the Company pay, and a very small Charge for Demurrage, will increase the Freight, &c. to £ 40,000 per Ship, agreeable to above Estimate.

d 4. The Duty of 5 per Cent. is charged by the Company on the gross Sale Amount of all Private Trade licensed to be brought from India; the Amount of this Duty is the only Benefit the Company are likely to receive from the Subscription Investment.

e 5. This Charge is likewise made on private Trade Goods, and is little (if any Thing) more than the real Expence the Company are at on account of the same, therefore no Benefit will probably arise to the Company from it on the Sale of the said Investment.

f 6. This is the Sum which will probably be realized in England, and is only equal to 1s. 5d. per Rupee, on the 80 Lacks subscribed.

ever complete their Subscription, unless, by Management among themselves, they should be able to procure the Goods for their own Account upon other Terms than those on which they purchased them for their Masters, or unless they have for the Supply of the Company, on their Hands, a Quantity of Goods which they cannot otherwise dispose of. This latter Case is not very improbable, from their proposing to send Ten Sixteenths of the whole Investment in Silk; which, as will be seen hereafter, the Company has prohibited to be sent on their Account, as a disadvantageous Article. Nothing but the Servants being overloaded, can rationally account for their Choice of so great a Proportion of so dubious a Commodity.

On the State made by Two Reports of a Committee of the General Court in 1782, their Affairs were even then reduced to a low Ebb. But under the Arrangement announced by Mr. Hastings and his Colleagues, it does not appear, after this Period of the Servants Investment, from what Fund the Proprietors are to make any Dividend at all. The Objects of the Sale, from whence the Dividend is to arise, are not *their* Goods: They stand accountable to others for the whole probable Produce. The State of the Company's Commerce will therefore become an Object of serious Consideration; an Affair, as Your Committee apprehends, of as much Difficulty as ever tried the Faculties of this House. For on the one Hand it is plain, that the System of providing the Company's Import into Europe, resting almost wholly by an Investment from its territorial Revenues, has failed: During its Continuance it was supported on Principles fatal to the Prosperity of that Country. On the other Hand, if the nominal Commerce of the Company is suffered to be carried on for the Account of the Servants Abroad, by investing the Emoluments made in their Stations, these Emoluments are therefore inclusively authorized, and with them the Practices from which they accrue. All parliamentary Attempts to reform this System will be contradictory to its Institution. If, for Instance, Five hundred thousand Pounds Sterling annually be necessary for this Kind of Investment, any Regulation which may prevent the Acquisition of that Sum, operates against the Investment, which is the End proposed by the Plan.

On this new Scheme (which is neither calculated for a future Security, nor for a present Relief to the Company) it is not visible in what Manner the Settlements in India can be at all upheld. The Gentlemen in Employments Abroad, call for the whole Produce of the Year's Investment from Bengal; but for the Payment of the Counter-investment from Europe, which is for the far greater Part sent out for the Support of their Power, no Provision at all is made: They have not, it seems, agreed that it should be charged to their Account, or that

any Deduction should be made for it from the Produce of their Sales in Leadenhall Street. How far such a Scheme is preferable to the total Suspension of Trade, Your Committee cannot positively determine. In all Likelihood extraordinary Expedients were necessary; but the Causes which induced this Necessity ought to be more fully enquired into, for the last Step in a Series of Conduct may be justifiable upon Principles, that suppose great Blame in those which preceded it.

After Your Committee had made the foregoing Observations upon the Plan of Mr. Hastings and his Colleagues, transmitted to the Court of Directors, an Extract of the Madras Consultations was a few Days ago laid before us. This Extract contains a Letter from the Governor General and Council of Bengal to the Precedency of Fort Saint George, which affords a very striking, though to Your Committee by no means an unexpected Picture, of the Instability of their Opinions and Conduct. On the 8th of April the Servants had regularly formed and digested the above-mentioned Plan, which was to form the Basis for the Investment of their own Fortunes, and to furnish the sole Means of the commercial Existence of their Masters. Before the 10th of the following May, which is the Date of their Letter to Madras, they inform Lord Macartney, that they had fundamentally altered the whole Scheme. "Instead (say they) of allowing the Subscribers to retain an Interest in the Goods, they are to be provided entirely on Account of the Company, and transported *at their Risque*; and the Subscribers, instead of receiving Certificates payable out of the Produce of the Sales in Europe, are to be granted Receipts on the Payment of their Advances, bearing an Interest of Eight per Cent. per Annum, until exchanged for Drafts on the Court of Directors, payable 365 Days after Sight, at the Rate of Two Shillings per Current Rupee; which Drafts shall be granted in the proper Time of 3-8ths of the Amount subscribed, on the 31st of December next; and the remaining 5-8ths on the 31st of December 1783."

The Plan of April divests the Company of all Property in Bengal Goods transported to Europe; but in Recompence they are freed from all the Risque and Expence, they are not loaded with Interest, and they are not embarrassed with Bills. The Plan of May reinflates them in their old Relation; but in Return, their Revenues in Bengal are charged with an Interest of Eight per Cent. on the Sum subscribed, until Bills shall be drawn. They are made Proprietors of Cargoes, purchased under the Disadvantage of that Interest at their own Hazard. They are subjected to all Losses; and they are involved in Europe for Payments of Bills to the Amount of Eighty Lacks of Rupees, at Two Shillings the Rupee, that is in Bills for Eight hundred thousand Pounds

Pounds Sterling. It is probably on Account of the previous Interest of Eight per Cent. that the Value of the Rupee on this Scheme is reduced. Mr. Hastings and his Colleagues announce to Lord Macartney no other than the foregoing Alteration in their Plan.

It is discouraging to attempt any Sort of Observation on Plans thus shifting their Principle whilst their Merits are under Examination. The Judgment formed on the Scheme of April, has nothing to do with the Project of May. Your Committee has not suppressed any Part of the Reflections which occurred to them on the former of these Plans; First, because the Company knows of no other by any regular Transmissions; Secondly, because it is by no Means certain, that before the Expiration of June the Governor General and Council may not revert to the Plan of April. They speak of that Plan as likely to be (or make a Part of one that shall be) *permanent*. Many Reasons are alledged by its Authors in its Favour, grounded on the State of their Affairs; none whatever are assigned for the Alteration. It is indeed morally certain, that Persons who had Money to remit must have made the same Calculation which has been made by the Directions of Your Committee, and the Result must have been equally clear to them; which is, that instead of realizing Two Shillings and Two Pence the Rupee on their Subscription, as they proposed, they could never hope to see more than One Shilling and Nine Pence. This Calculation probably shook the main Pillar of the Project of April. But on the other Hand, as the Subscribers to the Second Scheme can have no certain Assurance that the Company will accept Bills so far exceeding their Allowance in this Particular, the Necessity of remitting their Fortunes may beat them back to their old Ground. The Danish Company was the only Means of remitting which remained. Attempts have been made with Success to revive a Portuguese Trade for that Purpose. It is by no Means clear, whether Mr. Hastings and his Colleagues will adhere to either of the foregoing Plans; or indeed, whether any Investment at all to that Amount can be realized; because nothing but the Convenience of remitting the Gains of British Subjects to London can support any of these Projects.

The Situation of the Company under this perpetual Variation in the System of their Investment, is truly perplexing. The Manner in which they arrive at any Knowledge of it, is no less so. The Letter to Lord Macartney, by which the Variation is discovered, was not intended for Transmission to the Directors. It was merely for the Information of those who were admitted to a Share of the Subscription at Madras. When Mr. Hastings sent this Information to those Subscribers, he might well enough have presumed an Event to happen, which did happen, that is, that a Vessel might be dispatched from Madras to Europe; and indeed by that, and by every devisable Means,

he ought not only to have apprised the Directors of this most material Change in the Plan of the Investment, but to have entered fully into the Grounds and Reasons of his making it.

It appears to Your Committee, That the Ships which brought to England the Plan of the 8th of April, did not sail from Bengal until the 1st of May. If the Change had been in Contemplation for any Time before the Thirtieth of April, Two Days would have sufficed to send an Account of it, and it might have arrived along with the Plan which it affected. If therefore such a Change was in Agitation before the Sailing of the Ships, and yet was concealed when it might have been communicated, the Concealment is censurable. It is not improbable that some Change of the Kind was made or meditated before the sailing of the Ships for Europe: For it is hardly to be imagined, that Reasons, wholly unlooked for, should appear for setting aside a Plan, concerning the Success of which the Council General seemed so very confident; that a new one should be proposed; that its Merits should be discussed among the Monied Men; that it should be adopted in Council, and officially ready for Transmission to Madras, in Twelve or Thirteen Days. In this Perplexity of Plan and of Transmission, the Court of Directors may have made an Arrangement of their Affairs on the Groundwork of the first Scheme, which was officially and authentically conveyed to them. The fundamental Alteration of that Plan in India might require another of a very different Kind in England; which the Arrangements taken in Consequence of the first, might make it difficult, if not impossible to execute. What must add to the Confusion is, that the Alteration has not the regular and official Authority of the original Plan, and may be presumed to indicate with Certainty, nothing more than that the Business is *again* afloat, and that no Scheme is finally determined on. Thus the Company is left without any fixed Data upon which they can make a rational Disposition of their Affairs.

The Fact is, that the Principles and Economy of the Company's Trade have been so completely corrupted by turning it into a Vehicle for Tribute, that, whenever circumstances require it to be replaced again upon a Bottom truly Commercial, hardly any thing but Confusion and Disasters can be expected as the first Results. Even before the Acquisition of the Territorial Revenues, the System of the Company's Commerce was not formed upon Principles the most favourable to its Prosperity: For whilst, on the one Hand, that Body received Encouragement by Royal and Parliamentary Charters, was invested with several ample Privileges, and even with a Delegation of the most essential Prerogatives of the Crown; on the other, its Commerce was watched with an invidious Jealousy, as a Species of Dealing dangerous to the National Interests. In that Light, with regard to the Company's

pany's Imports, there was a total Prohibition from domestic Use of the most considerable Articles of their Trade; that is, of all Silk Stuffs, and stained and painted Cottons. The British Market was in a great Measure interdicted to the British Trader. Whatever Advantages might arise to the general Trading Interests of the Kingdom by this Restraint, its East Indian Interest was undoubtedly injured by it. The Company is also, and has been from a very early Period, obliged to furnish the Ordnance with a Quantity of Saltpetre at a certain Price, without any Reference to the Standard of the Markets either of Purchase or of Sale. With regard to their Export, they were put also under Difficulties upon very mistaken Notions. For they were obliged to export annually a certain Proportion of British Manufactures, even though they should find for them in India none, or but an unprofitable Want. This compulsory Export might operate, and in some Instances has operated in a Manner more grievous than a Tax to the Amount of the Loss in Trade. For the Payment of a Tax is in general divided in unequal Portions between the Vender and Consumer, the largest part falling upon the latter. In the Case before us, the Tax may be as a dead Charge on the Trading Capital of the Company.

The Spirit of all these Regulations naturally tended to weaken, in the very original Constitution of the Company, the main Spring of the Commercial Machine, the *Principles of Profit and Loss*. And the Mischief arising from an Inattention to those Principles, has constantly increased with the Increase of its Power. For when the Company had acquired the Rights of Sovereignty in India, it was not to be expected that the Attention to Profit and Loss would have increased. The Idea of remitting Tribute in Goods, naturally produced an Indifference to their Price and Quality; the Goods themselves appearing little else than a Sort of Package to the Tribute. Merchandize, taken as Tribute, or bought in lieu of it, can never long be of a Kind, or of a Price fitted to a Market, which stands solely on its Commercial Reputation. The Indifference of the Mercantile Sovereign to his Trading Advantages, naturally relaxed the Diligence of his subordinate Factor-Magistrates, through all their Gradations and in all their Functions; it gave Rise, at least so far as the Principle was concerned, to much Neglect of Price and of Goodness, in their Purchases. If ever they shewed any extraordinary Degrees of Accuracy and Selection, it would naturally be in Favour of that Interest to which they could not be indifferent. The Company might suffer above, the Natives might suffer below; the intermediate Party must Profit to the Prejudice of both.

Your Committee are of Opinion, that the Company is now arrived at that Point, when the Investment, from Surplus Revenue or from the

the Spoil of War, ceasing, it is become much more necessary to fix its Commerce upon a Commercial Basis. And this Opinion led Your Committee to a detailed Review of all the Articles of the Indian Traffic, upon which the Profit and Loss was steady; and we have chosen a Period of Four Years, during the Continuance of the Revenue Investment, and prior to any borrowing, or any extraordinary drawing of Bills, in order to find out how far the Trade under Circumstances when it will be necessary to carry it on by borrowing, or by Bills, or by Exportation of Bullion, can be sustained in the former Course, so as to secure the Capital, and to afford a reasonable Dividend. And Your Committee find, that in the first Four Years, the Investment from Bengal amounted to £.4,176,525; upon £.2,260,277 there was a Gain of £.186,337; and, upon £.1,916,248, a Loss of £.705,566: So that the Excess of Loss above Gain, upon the Whole of the foregoing Capital, was in the Four Years no less than £.519,229.

If the Trade were confined to Bengal, and the Company were to trade on those Terms upon a Capital borrowed at Eight per Cent. Indian Interest, their Revenues in that Province would be soon so overpowered with Debt, that those Revenues, instead of supporting the Trade, would be totally destroyed by it. If, on the other Hand, the Company traded upon Bills, with every Advantage, far from being in a Condition to divide the smallest per Centage, their Bankruptcy here would be inevitable.

Your Committee then turned to the Trade of the other Factories and Presidencies, and they constantly found, that as the Power and Dominion of the Company was less, their Profit on the Goods was greater. The Investments of Madras, Bombay, and Bencoolen, has, in the foregoing Four Years, upon a Capital of £.1,151,176, had a Gain upon the whole of £.329,622. The greatest of all is that of Bencoolen, which, on a Capital of £.76,571, produced a Profit of £.107,760. This however is but a small Branch of the Company's Trade. The Trade to China, on a Capital of £.1,717,463, produced an excess of Gain, amounting to £.874,096, which is about Fifty per Cent. But such was the evil Influence of the Bengal Investment, that not only the Profits of the Chinese Trade, but of all the lucrative Branches taken together, were so sunk and engulfed in it, that the whole Profit on a Capital of £.7,045,164 reached to no more than £.684,489; that is, to £.189,607 less than the Profit on the Chinese Trade alone: Less than the Total Profits on the gainful Trades taken together, £.520,727.

It is very remarkable, that in the Year 1778, when the Bengal Investment stood at the highest, that is, so high as £.1,223,316, though the Chinese Trade produced an Excess of Gain in that Year of

£. 209,243.

£. 209,243, that no loss of Moment could be added to that of Bengal (except about £. 45,000 on the Bombay Trade) the whole Profit of a Capital of £. 2,040,787, amounted only to the Sum of £. 9,480.

The detail of the Articles in which Loss was incurred or Gain made, will be found in the Appendix, N^o 24. The Circumstances of the Time have rendered it necessary to call up a vigorous Attention to this State of the Trade of the Company between Europe and India.

INTERNAL TRADE OF BENGAL.

THE Internal Trade of Bengal has next attracted the Enquiries of Your Committee.

The great and valuable Articles of the Company's Investment, drawn from the Articles of Internal Trade, are Raw Silk, and various Descriptions of Piece Goods made of Silk and Cotton. These Articles are not under any formal Monopoly; nor does the Company at present exercise a declared Right of Pre-emption with regard to them. But it does not appear that the Trade in these Particulars is or can be perfectly free; not so much on Account of any direct Measures taken to prevent it, as from the Circumstances of the Country, and the Manner of carrying on Business there. For the present Trade, even in these Articles, is built from the Ruins of Monopolies and Pre-emptions, and necessarily partakes of the Nature of its Materials.

In order to show in what Manner Manufactures and Trade so constituted contribute to the Prosperity of the Natives, Your Committee conceives it proper to take, in this Place, a short general View of the Progress of the English Policy with relation to the Commerce of Bengal, and the several Stages and Gradations by which it has been brought into its actual State. The Modes of Abuse, and the Means by which Commerce has suffered, will be considered in greater Detail under the distinct Heads of those Objects which have chiefly suffered by them.

During the Time of the Mogul Government, the Princes of that Race, who omitted nothing for the Encouragement of Commerce in their Dominions, bestowed very large Privileges and Immunities on the English East India Company, exempting them from several Duties to which their natural born Subjects were liable. The Company's Dustuck, or Passport, secured to them this Exemption at all the Customhouses and Tollbars of the Country. The Company not being

ing able, or not choosing to make use of their Privilege to the full Extent to which it might be carried, indulged their Servants with a qualified Use of their Passport; under which, and in the Name of the Company, they carried on a private Trade, either by themselves, or in Society with Natives; and thus found a Compensation for the scanty Allowances made to them by their Masters in England. As the Country Government was at that Time in the Fullness of its Strength, and that this Immunity existed by a double Connivance, it was naturally kept within tolerable Limits.

But by the Revolution in 1757, the Company's Servants obtained a mighty Ascendant over the Native Princes of Bengal, who owed their Elevation to the British Arms. The Company, which was new to that kind of Power, and not yet thoroughly apprized of its real Character and Situation, considered itself still as a Trader in the Territories of a Foreign Potentate, in the Prosperity of whose Country it had neither Interest nor Duty. The Servants, with the same Ideas, followed their Fortune in the Channels in which it had hitherto ran, only enlarging them with the Enlargement of their Power. For their first Ideas of Profit were not official; nor were their Oppressions those of arbitrary Despotism. The first Instruments of their Power were formed out of Evasions of their ancient Subjections. The Passport of the Company in the Hands of its Servants was no longer under any Restraint; and in a very short Time their Immunity began to cover all the Merchandise of the Country. Cossim Ali Khan, the Second of the Nabobs whom they had set up, was but ill disposed to the Instruments of his Greatness. He bore the Yoke of this imperious Commerce with the utmost Impatience. He saw his Subjects excluded as Aliens from their own Trade, and the Revenues of the Prince overwhelmed in the Ruin of the Commerce of his Dominions. Finding his reiterated Remonstrances on the Extent and Abuse of the Passport ineffectual, he had Recourse to an unexpected Expedient, which was to declare his Resolution at once to annul all the Duties on Trade, setting it equally free to Subjects and to Foreigners.

Never was the Method of defeating the Oppressions of Monopoly more forcible, more simple, or more equitable. No Sort of plausible Objection could be made; and it was in vain to think of evading it. It was therefore met with the Confidence of avowed and determined Injustice. The Presidency of Calcutta openly denied to the Prince the Power of protecting the Trade of his Subjects, by the Remission of his own Duties. It was evident that his Authority drew to its Period; many Reasons and Motives concurred, and his Fall was hastened by the Odium of the Oppressions which he exercised voluntarily as well as those to which he was obliged to submit. When

When this Example was made, Jaffier Ali Khân, who had been deposed to make room for the last Actor, was brought from Penury and Exile to a Station, the Terms of which he could not misunderstand. During his Life, and in the Time of his Children who succeeded to him, Parts of the Territorial Revenue were assigned to the Company; and the Whole, under the Name of Residency at the Nabob's Court, was brought, directly or indirectly, under the Controul of British Subjects. The Company's Servants, armed with Authorities delegated from the nominal Government, or attended with what was a stronger Guard, the Fame of their own Power, appeared as Magistrates in the Markets in which they dealt as Traders. It was impossible for the Natives in general to distinguish, in the Proceedings of the same Persons, what was transacted on the Company's Account, from what was done on their own; and it will ever be so difficult to draw this Line of Distinction, that, as long as the Company does, directly or indirectly, aim at any Advantage to itself in the Purchase of any Commodity whatever, so long will it be impracticable to prevent the Servants availing themselves of the same Privilege.

The Servants therefore, for themselves, or for their Employers, monopolized every Article of Trade, Foreign and Domestic; not only the raw merchantable Commodities, but the Manufactures; and not only these, but the Necessaries of Life, or what in these Countries, Habit has confounded with them; not only Silk, Cotton, Piece Goods, Opium, Saltpetre, but not unfrequently Salt, Tobacco, Betel Nut, and the Grain of most ordinary Consumption. In the Name of the Country Government they laid on or took off, and at their Pleasure heightened or lowered, all Duties upon Goods:—The whole Trade of the Country was either destroyed, or in Shackles. The Acquisition of the Duané, in 1765, bringing the English into the immediate Government of the Country, in its most essential Branches, extended and confirmed all the former Means of Monopoly.

In the Progress of these ruinous Measures, through all their Details, innumerable Grievances were suffered by the Native Inhabitants, which were represented in the strongest, that is, their true Colours, in England. Whilst the far greater Part of the British in India were in eager Pursuit of the forced and exorbitant Gains of a Trade carried on by Power, Contests naturally arose among the Competitors: Those who were overpowered by their Rivals, became loud in their Complaints to the Court of Directors, and were very capable, from Experience, of pointing out every Mode of Abuse.

The Court of Directors, on their Part, began, though very slowly, to perceive, that the Country which was ravaged by this Sort of Commerce, was their own. These Complaints obliged the

the Directors to a strict Examination into the real Sources of the Mismanagement of their Concerns in India, and to lay the Foundation of a System of Restraint on the Exorbitancies of their Servants. Accordingly, so early as the Year 1765, they confine them to a Trade only in Articles of Export and Import; and strictly prohibit them from all dealing in Objects of internal Consumption. About the same Time, the Presidency of Calcutta found it necessary to put a Restraint upon themselves, or at least to make Shew of a Disposition (with which the Directors appear much satisfied) to keep their own enormous Power within Bounds.

But whatever might have been the Intentions either of the Directors or the Presidency, both found themselves unequal to the Execution of a Plan which went to defeat the Projects of almost all the English in India; possibly comprehending some who were Makers of the Regulations. For as the Complaint of the Country or as their own Interest, predominated with the Presidency, they were always shifting from one Course to the other; so that it became as impossible for the Natives to know upon what Principle to ground any commercial Speculation, from the Uncertainty of the Law under which they acted, as it was when they were oppressed by Power, without any Colour of Law at all: For the Directors, in a few Months after they had given these Tokens of Approbation to the above Regulations in Favour of the Country Trade, tell the Presidency, "It is with Concern we see, in every Page of your Consultations, *Restrictions, Limitations, Prohibitions, affecting various Articles of Trade.*"

On the other Side, the Presidency freely confess that these Monopolies of Inland Trade "were the Foundation of all the Bloodsheds, Massacres, and Confusions which have happened of late in Bengal."

Pressed in this urgent Manner, the Directors came more specifically to the Grievance, and at once annul all the Passports with which their Servants traded without Duties, holding out Means of Compensation, of which it does not appear that any Advantage was taken. In order that the Duties which existed should no longer continue to burthen the Trade either of the Servants or Natives, they ordered that a Number of oppressive Tollbars should be taken away, and the whole Number reduced to Nine of the most considerable.

When Lord Clive was sent to Bengal to effect a Reformation of the many Abuses which prevailed there, he considered Monopoly to be so inveterate and deeply rooted, and the just Rewards of the Company's Servants to be so complicated with that Injustice to the Country, that the latter could not easily be removed with-

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out taking away the former. He adopted therefore a Plan for dealing in certain Articles, which, as he conceived, rather ought to be called, "a regulated and restricted Trade" than a formal Monopoly. By this Plan he intended that the Profits should be distributed in an orderly and proportioned Manner for the Reward of Services, and not seized by each Individual according to the Measure of his Boldness, Dexterity, or Influence.

But this Scheme of Monopoly did not subsist long, at least in that Mode, and for those Purposes: Three of the grand Monopolies, those of Opium, Salt, and Salt Petre, were successively by the Company taken into their own Hands. The Produce of the Sale of the Two former Articles was applied to the Purchase of Goods for their Investment; the latter was exported in Kind for their Sales in Europe. The senior Servants had a certain Share of Emolument allotted to them from a Commission on the Revenues. The junior Servants were rigorously confined to Salaries, on which they were unable to subsist according to their Rank. They were strictly ordered to abstain from all Dealing in Objects of internal Commerce. Those of Export and Import were left open to young Men without mercantile Experience, and wholly unprovided with mercantile Capitals; but abundantly furnished with large Trusts of the Public Money, and with all the Powers of an absolute Government. In this Situation, a religious Abstinence from all illicit Gain was prescribed to Men at Nine thousand Miles distance from the Seat of the Supreme Authority.

Your Committee is far from meaning to justify, or even to excuse the Oppressions and Cruelties used by many, in supplying the Deficiencies of their regular Allowances by all Manner of Extortion. But many smaller Irregularities may admit some Alleviation from thence. Nor does Your Committee mean to express any Desire of reverting to the Mode (contrived in India, but condemned by the Directors) of rewarding the Servants of an higher Class by a regulated Monopoly. Their Object is to point out the Deficiencies in the System, by which Restrictions were laid that could have little or no Effect, whilst Want and Power were suffered to be united.

But the Proceedings of the Directors at that Time, though not altogether judicious, were in many Respects honourable to them, and favourable in the Intention at least to the Country they governed. For finding their trading Capital employed against themselves and against the Natives, and struggling in vain against Abuses which were inseparably connected with the System of their own Preference in Trade, in the Year 1773 they came to the

manly Resolution of setting an Example to their Servants, and gave up all use of Power and Influence in the Two grand Articles of their Investment, Silk and Piece Goods. They directed that the Articles should be bought at an equal and public Market from the Native Merchants; and this Order they directed to be published in all the principal Marts of Bengal.

Your Committee are clearly of Opinion, that no better Method of Purchase could be adopted. But it soon appeared, that in deep-rooted and inveterate Abuses, the wisest Principles of Reform may be made to operate so destructively, as wholly to discredit the Design, and to dishearten all Persons from the Prosecution of it. The Presidency, who seemed to yield with the utmost Reluctance to the Execution of these Orders, soon made the Directors feel their evil Influence upon their own Investment. For they found the Silk and Cotton Cloths rose Twenty-five per Cent. above their former Price, and a further Rise of Forty per Cent was announced to them.

What happened with regard to Raw Silk is still more remarkable, and tends still more clearly to illustrate the Effects of commercial Servitude during its unchecked Existence; and the Consequences which may be made to arise from its sudden Reformation. On laying open the Trade, the Article of Raw Silk was instantly enhanced to the company full Eighty per Cent. The Contract made for that Commodity, wound off in the Bengal Method, which used to sell for less than Six Rupees, or Thirteen Shillings for Two Pounds Weight, arose to Nine Rupees, or near Twenty Shillings, and the Filature Silk was very soon after contracted for at Fourteen.

The Presidency accounted for this Rise, by observing, that the Price had before been *arbitrary*, and that the Persons who purveyed for the Company paid no more than "what was *judged* sufficient for the Maintenance of the first Providers." This Fact explains more fully than the most laboured Description can do, the dreadful Effects of the Monopoly on the Cultivators. They had the *Sufficiency* of their Maintenance measured out by the Judgment of those who were to profit by their Labour; and this Measure was not a great Deal more, by their own Account, than about two Thirds of the Value of that Labour. In all Probability it was much less; as these Dealings rarely passed through intermediate Hands without leaving a considerable Profit. These Oppressions, it will be observed, were not confined to the Company's Share, which however covered a great Part of the Trade; but as this was an Article permitted to the Servants, the same Power of arbitrary Valuation must have been extended over the Whole, as the Market must be equalized, if any Authority at all is extended

tended over it by those who have an Interest in the Restraint. The Price was not only raised, but in the Manufactures the Quality was debased nearly in an equal Proportion. The Directors conceived with great Reason, that this Rise of Price and Debasement of Quality arose not from the Effect of a free Market, but from the Servants having taken that Opportunity of throwing upon the Market of their Masters the refuse Goods of their own private Trade, at such exorbitant Prices, as by mutual Connivance they were pleased to settle. The Mischief was greatly aggravated, by its happening at a Time when the Company were obliged to pay for their Goods with Bonds bearing an high Interest.

The perplexed System of the Company's Concerns, composed of so many opposite Movements and contradictory Principles, appears no where in a more clear Light. If Trade continued under Restraint, their Territorial Revenues must suffer by checking the general Prosperity of the Country: If they set it free, Means were taken to raise the Price and debase the Quality of the Goods: And this again fell upon the Revenues out of which the Payment for the Goods was to arise. The Observations of the Company on that Oecasion are just and sagacious; and they will not permit the least Doubt concerning the Policy, of these unnatural Trades. "The Amount of our Bengal Cargoes from 1769 to 1773, is 2,901,194 Pounds Sterling, and if the Average Increase of Price be estimated at Twenty-five per Cent. only, the Amount of such Increase is 725,298 Pounds Sterling." "The above Circumstances are exceedingly alarming to us; but what must be our Concern, to find by the Advices of our President and Council of 1773, that a further Advance of Forty per Cent. on Bengal Goods was expected, and allowed to be the Consequence of Advertisements then published, authorizing a free Trade in the Service?" "We find the Duannee Revenues are in general farmed for five Years, and the aggregate Increase estimated at only 183,170 Pounds Sterling (on a Supposition that such Increase will be realized;) yet if the Annual Investment be Sixty Lacks, and the Advance of Price Thirty per Cent. only, such Advance will *exceed the Increase of the Revenue, by no less than 829,330 Pounds Sterling.*

The Indignation which the Directors felt at being reduced to this distressing Situation, was expressed to their Servants in very strong Terms. They attributed the Whole to their Practices, and say,—“We are far from being convinced that the Competition which tends to raise the Price of Goods in Bengal, is wholly between public European Companies, or between Merchants in general who export to Foreign Markets: We are rather of Opinion,

"men, that the Sources of this grand Evil have been the extensive
 "ordinary Privileges granted to Individuals in our Service, or under
 "our Licence, to trade without Restriction throughout the
 "Provinces of Bengal; and the Encouragement they have had to
 "extend their Trade to the uttermost, even in such Goods as
 "were proper for our Investment, by observing the Success of those
 "Persons who have from Time to Time found Means to dispose of
 "their Merchandise to our Governor and Council, though of so bad a
 "Quality as to be sold here with great Difficulty, after having
 "been frequently refused, and put up at the next Sale without
 "Price, to the very great Discredit and Disadvantage of the Com-
 "pany." In all Probability the Directors were not mistaken; for
 upon an Enquiry instituted soon after, it was found that Cantu
 Babu, the Banian or native Steward and Manager to Mr. Hastings
 (late President,) held Two of these Contracts in his own Name and
 that of his Son, for considerably more than £150,000. This Dis-
 covery brought on a Prohibition from the Court of Directors of that
 suspicious and dangerous Dealing in the Stewards of Persons in
 high Office. The same Man held likewise Farms to the Amount
 of £140,000 a Year of the Landed Revenue, with the same suspi-
 cious Appearance, contrary to the Regulations made under Mr.
 Hastings's own Administration.

In the mortifying Dilemma to which the Directors found them-
 selves reduced, whereby the Ruin of the Revenues, either by the
 Freedom or the Restraint of Trade, was evident, they considered
 the First as most rapid and urgent, and therefore once more revert
 to the System of their ancient Pre-emption, and destroy that Free-
 dom which they had so lately and with so much Solemnity pro-
 claimed, and that before it could be abused or even enjoyed. They
 declare, that "unwilling as we are to return to the former coercive
 "System of providing an Investment, or to abridge that Freedom
 "of Commerce which has been so lately established in Bengal, yet
 "at the same Time finding it our indispensable Duty to strike at the
 "Root of an Evil which has been so severely felt by the Company,
 "and which can no longer be supported, we hereby direct that all
 "Persons whatever in the Company's Service, or under our Protec-
 "tion, be absolutely prohibited, by public Advertisement, from
 "trading in any of those Articles which compose our Invest-
 "ment, directly or indirectly, except on Account of and for the
 "East India Company, until their Investment is completed.

As soon as this Order was received in Bengal, it was construed,
 as indeed the Words seemed directly to warrant, to exclude all Na-
 tives, as well as Servants, from the Trade until the Company was
 supplied. The Company's Pre-emption was now authoritatively
 re-established;

re-established, and some feeble and offensive Regulations were made to relieve the Weavers, who might suffer by it. The Directors imagined that the Re-establishment of their coercive System would remove the Evil which Fraud and Artifice had grafted upon one more rational and liberal. But they were mistaken: For it only varied, if it did so much as vary, the Abuse. The Servants might as essentially injure their Interest by a direct Exercise of their Power, as by Pretexts drawn from the Freedom of the Natives; but with this fatal Difference, that the Frauds upon the Company must be of shorter Duration under a Scheme of Freedom. That State admitted, and indeed led to Means of Discovery and Correction, whereas the System of Coercion was likely to be permanent. It carried Force further than served the Purposes of those who authorized it; it tended to cover all Frauds with Obscurity, and to bury all Complaint in Despair: The next Year therefore, that is in the Year 1776, the Company, who complained that their Orders had been extended beyond their Intentions, made a Third Revolution in the Trade of Bengal. It was set free again; so far at least as regarded the Native Merchants; but in so imperfect a Manner, as evidently to leave the Roots of old Abuses in the Ground. The Supreme Court of Judicature about this Time (1776) also fulminated a Charge against Monopolies; without any Exception of those authorized by the Company. But it does not appear that any Thing very material was done in consequence of it.

The Trade became nominally free; but the Course of Business, established in consequence of coercive Monopoly, was not easily altered. In order to render more distinct the Principles which led to the Establishment of a Course and Habit of Business, so very difficult to change, as long as those Principles exist, Your Committee think it will not be useless here to enter into the History of the Regulations made in the first and favourite Matter of the Company's Investment, the Trade in *Raw Silk*, from the Commencement of these Regulations, to the Company's perhaps finally abandoning all Share in the Trade which was their Object.

RAW SILK.

The Trade in *Raw Silk* was at all Times more popular in England, than really advantageous to the Company. In addition to the old Jealousy which prevailed between the Company and the Manufactory Interest of England, they came to labour under no small Odium on Account of the Distresses of India. The Public in England perceived, and felt with a proper Sympathy, the Sufferings of the Eastern Provinces, in all Cases in which they might be

be attributed to the Abuses of Power exercised under the Company's Authority. But they were not equally sensible to the Evils which arose from a System of sacrificing the Being of that Country to the Advantage of this. They entered very readily into the former; but with regard to the latter were slow and credulous. It is not therefore extraordinary, that the Company should endeavour to ingratiate themselves with the Public, by falling in with its Prejudices. Thus they were led to increase the Grievance in order to allay the Clamour. They continued still upon a larger Scale, and still more systematically, that Plan of Conduct which was the principal, though not the most blamed Cause of the Decay and Depopulation of the Country committed to their Care.

With that View, and to furnish a cheap Supply of Materials to the Manufactures of England, they formed a Scheme which tended to destroy, or at least essentially to impair the whole Manufacturing Interest of Bengal. A Policy of that Sort could not fail of being highly popular; when the Company submitted itself as an Instrument for the Improvement of British Manufactures, instead of being their most dangerous Rival, as heretofore they had been always represented.

They accordingly notified to their Presidency in Bengal, in their Letter of the 17th of March, 1769, that "there was no Branch of their Trade they more ardently wish to extend, than that of Raw Silk." They disclaim however all Desire of employing compulsory Measures for that Purpose, but recommended every Mode of Encouragement, and particularly by augmented Wages, "*in order to induce Manufacturers of Wrought Silk to quit that Branch, and take to the winding of Raw Silk.*"

Having thus found Means to draw Hands from the Manufacture, and confiding in the Strength of a Capital drawn from the Public Revenues, they pursue their Ideas from the Purchase of their Manufacture to the Purchase of the Material in its crudest State. "We recommend you to give an *increased Price*, if necessary, *so as to take that Trade out of the Hands of other Merchants and rival Nations.*" A double Bounty was thus given against the Manufactures, both in the Labour and in the Materials.

It is very remarkable in what Manner their vehement Pursuit of this Object led the Directors to a speedy Oblivion of those equitable Correctives, before interposed by them, in order to prevent the Mischiefs which were apparent in the Scheme if left to itself. They could venture so little to trust to the Bounties given from the Revenues, a Trade which had a Tendency to dry up their Source, that, by the Time they had proceeded to the 33d Paragraph of their Letter, they revert to those very compulsory Means which they had disclaimed but Three Paragraphs before.

To

To prevent Silk Winders from working in their private Houses, where they might work for private Traders, and to confine them to the Company's Factories, where they could only be employed for the Company's Benefit, they desire that the newly acquired Power of Government should be effectually employed: "Should (say they) this Practice, through Inattention, have been suffered to take Place again, it will be proper to put a Stop to it, which may now be more effectually done by an absolute Prohibition under severe Penalties, by the Authority of Government."

This Letter contains a perfect Plan of Policy, both of Compulsion and Encouragement, which must, in a very considerable Degree, operate destructively to the Manufactures of Bengal. Its Effect must be (so far as it could operate without being eluded) to change the whole face of that industrious Country, in order to render it a Field for the Produce of crude Materials subservient to the Manufactures of Great-Britain. The manufacturing Hands were to be seduced from their Looms by high Wages, in order to prepare a raw Produce for our Market; they were to be locked up in the Factories; and the Commodity acquired by these Operations was, in this immature State, carried out of the Country, whilst its Looms would be left without any Material but the debased Refuse of a Market enhanced in its Price, and scantied in its Supply. By the Increase of the Price of this and other Materials, Manufactures, formerly the most flourishing, gradually disappeared under the Protection of Great Britain, and were seen to rise again and flourish on the opposite Coast of India, under the Dominion of the Marattas.

These Restraints and Encouragements seem to have had the desired Effect in Bengal, with regard to the Diversion of Labour from Manufacture to Materials. The Trade of Raw Silk increased rapidly. But the Company very soon felt, in the Increase of Price and Debasement of Quality of the Wrought Goods, a Loss to themselves which fully counterbalanced all the Advantages, to be derived to the Nation from the Increase of the Raw Commodity. The necessary Effect on the Revenue was also foretold very early. For their Servants in the principal Silk Factories declared, "that the Obstruction to the private Trade in Silk must in the End prove detrimental to the Revenues, and that the Investment clashes with the Collection of these Revenues." Whatsoever, by Bounties or Immunities, is encouraged out of a Landed Revenue, has certainly some Tendency to lessen the net Amount of that Revenue, and to forward a Produce which does not yield to the gross Collection rather than one that does.

The Directors declare themselves unable to understand how this could be. Perhaps it was not so difficult. But, pressed as they were by the Greatness of the Payments which they were compelled to make to Government in England, the Cries of Bengal could not be heard among the contending Claims of the General Court, of
the

the Treasury, and of Spital Fields. The Speculation of the Directors was originally fair and plausible (so far as the mere Encouragement of the Commodity extended.) Situated as they were, it was hardly in their power to stop themselves in the Course they had begun. They were obliged to continue their Resolution, at any Hazard increasing the Investment. "The State of our Affairs (say they) requires the utmost Extension of your Investments. You are not to forbear sending even these Sorts *which are attended with Loss*, in case such should be necessary to supply an Investment to as great an Amount as you can provide from your own Resources; and we have not the least Doubt of your being thereby enabled to increase your Consignments of this valuable Branch of National Commerce, even to the utmost of your Wishes. But it is our positive Order, that no Part of such Investment be provided with borrowed Money, which is to be repaid by *Drafts upon our Treasury in London*; since the Licence which has already been taken in this Respect, has involved us in Difficulties, which we yet know not how we shall surmount."

This very instructive Paragraph lays open the true Origin of the Internal Decay of Bengal. The Trade and Revenues of that Country were (as the then System must necessarily have been) of secondary Consideration at best. Present Supplies were to be obtained, and present Demands in England were to be avoided, at every Expence to Bengal.

The Spirit of increasing the Investment from Revenue at any Rate, and the Resolution of driving all Competitors, Europeans or Natives, out of the Market, prevailed at a Period still more early, and prevailed not only in Bengal, but seems more or less to have diffused itself through the whole Sphere of the Company's Influence. In 1768 they gave to the Presidency of Madras the following memorable Instruction, strongly declaratory of their general System of Policy.

"We shall depend upon your Prudence (say they) to discourage Foreigners; and, being intent, as you have been repeatedly acquainted, on bringing Home as great a Part of the Revenues as possible in your Manufactures, the out-bidding them in those Parts where they interfere with you, would certainly prove an effectual Step for answering that End. We therefore recommend it to you to offer such Increase of Price as you shall deem may be consistently given; that, by beating them out of the Market, the Quantities by you to be provided may be proportionably enlarged; and if you take this Method, it is to be so cautiously practised as not to enhance the Prices in the Places immediately under your Controul. On this Subject we must not omit the Approval of your prohibiting the Weavers of Cuddalore from making up any Cloth of the same Sortments

“Sortments that are provided for us; and if such Prohibition is not now, it should by all Means be in future, *made general and strictly maintained.*”

This System must have an immediate Tendency towards disordering the Trade of India, and must finally end in great Detriment to the Company itself. The Effect of the restrictive System on the Weaver is evident. The Authority given to the Servants to buy at an advanced Price, did of Necessity furnish Means and Excuses for every Sort of Fraud in their Purchases. The Instant the Servant of a Merchant is admitted, on his own Judgment, to overbid the Market, or to send Goods to his Master which shall sell at Loss, there is no longer any Standard upon which his unfair Practices can be estimated, or any effectual Means by which they can be restrained. The Hope entertained by the Directors, of confining this destructive Practice of giving an enhanced Price to a particular Spot, must ever be found totally delusive. Speculations will be affected by this artificial Price, in every Quarter in which Markets can have the least Communication with each other.

In a very few Years, the Court of Directors began to feel, even in Leadenhall-street, *the Effects of trading to Loss* upon the Revenues, especially on those of Bengal.

In the Letter of February 1774 they observe, That, “looking back to their Accounts for the Four preceding Years, on several of the Descriptions of Silk, there has been an *increasing Loss*, instead of any Alteration for the better in the last Year’s Productions. This (they say) threatens the Destruction of that valuable Branch of national Commerce.” And then they Recommend *such Regulations* (as if Regulations in that State of Things could be of any Service) as may obtain “a Profit in future, instead of so considerable a Loss, which *we can no longer sustain.*”

Your Committee thought it necessary to enquire into the Losses which had actually been suffered by this unnatural forced Trade; and find the Loss, so early as the Season of 1776, to be £.77,650. That in the Year 1777 it arose to £.168,205. This was so great, that worse could hardly be apprehended; however, in the Season of 1778 it amounted to £.255,070. In 1779 it was not so ruinously great, because the whole Import was not so considerable; but it still stood enormously high; so high as £.141,800. In the whole Four Years it came to £.642,725. The Observations of the Directors were found to be fully verified.—It is remarkable, that the same Article in the China Trade produced a considerable and uniform Profit. On this Circumstance little Observation is necessary.

During the Time of their Struggles for enlarging this losing Trade, which they considered as a National Object, which in one

Point of View it was; and if it had not been grossly mismanaged, might have been in more than one. In this Part it is impossible to refuse to the Directors a very great Share of Merit; no Degree of Thought, of Trouble, or of reasonable Expence was spared by them for the Improvement of the Commodity. They framed with Diligence, and apparently on very good Information, a Code of Manufacturing Regulations for that Purpose; and several Persons were sent out, conversant in the Italian Method of preparing and winding Silk, aided by proper Machines for facilitating and perfecting the Work. This, under proper Care, and in Course of Time, might have produced a real Improvement to Bengal; but, in the First Instance, it naturally drew the Business from Native Management; and it caused a Revulsion from the Trade and Manufactures of India, which led as naturally and inevitably to an European Monopoly, in some Hands or other, as any of the Modes of Coercion which were or could be employed. The Evil was present and inherent in the Act. The Means of letting the Natives into the Benefit of the improved System of Produce, was likely to be counteracted by the general ill Conduct of the Company's Concerns Abroad. For a while at least it had an Effect still worse; for the Company purchasing the Raw Cocoon, or Silk Pod at a fixed Rate, the First Producer, who, whilst he could wind at his own House, employed his Family in this Labour, and could procure a reasonable Livelihood by buying up the Cocoons for the Italian Filature, now incurred the enormous and ruinous Loss of Fifty per Cent.— This appears in a Letter to the Presidency, written by Mr. Boughton Rouse, now a Member of your Committee. But, for a long Time, a considerable Quantity of that in the old Bengal Mode of Winding, was bought for the Company from Contractors, and it continues to be so bought to the present Time; but the Directors complain, in their Letter of the 12th of May 1780, that both Species, and particularly the latter, had risen so extravagantly, that it was become more than Forty per Cent. dearer than it had been Fifteen Years ago. In that State of Price they condemn their Servants, very justly, for entering into Contracts for Three Years; and that for several Kinds of Silk, of very different Goodness, upon Averages unfairly formed, where the Commodities, averaged at an equal Price, differed from 20 to 30 per Cent. on the Sale. Soon after, they formed a regular Scale of fixed Prices, above which they found they could not trade without Loss.

Whilst they were continuing these Methods to secure themselves against future Losses, the Bengal Ships, which arrived in that Year, announced nothing but their Continuance. Some Articles by the high Price, and others from their ill Quality, were such, "as never could answer to be sent to Europe at any Price." The Directors renew their Prohibition of making fresh Contracts, the present being generally to expire in the Year 1781. But this Trade,

Trade, whose fundamental Policy might have admitted of a Doubt as applied to Bengal (whatever it might have been with Regard to England) was now itself expiring in the Hands of the Company, so that they were obliged to apply to Government for Power to enlarge their Capacity of receiving Bills upon Europe. The Purchase by these Bills they entirely divert from Raw Silk, and ordered to be laid out wholly in Piece Goods.

Thus, having found by Experience, that this Trade, whilst carried on upon the old Principles (of whatever Advantage it might have been to the British Manufacturers, or to the Individuals who were concerned in it in Bengal) had proved highly detrimental to the Company; the Directors resolved to expunge the Raw Silk from their Investment. They gave up the Whole to private Traders, on Condition of paying the Freight, Charges, and Duties; permitting them to send it to Europe in the Company's Ships, upon their own Account.

The whole of this History will serve to demonstrate, that all Attempts, which in their original System, or in their necessary Consequences, tend to the Distress of India, must, and in a very short Time will, make themselves felt, even by those in whose Favour such Attempts have been made. India may possibly in some future Time bear and support itself under an Extraction of Treasure or of Goods; but much Care ought to be taken, that the Influx of Wealth shall be greater in Quantity and prior in Time to the Waste.

On abandoning the Trade in Silk to private Hands, the Directors issued some Prohibitions to prevent Monopoly, and they gave some Directions about the Improvement of the Trade. The Prohibitions were proper, and the Directions prudent; but it is much to be feared, that whilst all the Means, Instruments, and Powers remain by which Monopolies were made, and through which Abuses formerly prevailed, all verbal Orders will be fruitless.

This Branch of Trade being so long principally managed by the Company's Servants for the Company, and under its Authority, cannot be easily taken out of their Hands and pass to the Natives, especially when it is to be carried on without the Controul naturally inherent in all Participation. It is not difficult to conceive how this forced Preference of Traffic in a Raw Commodity must have injured the Manufactures, while it was the Policy of the Company to continue the Trade on their own Account. The Servants so far from deviating from their Course since they have taken the Trade into their own Management, have gone much farther into it. The Proportion of Raw Silk in the Investment is to be augmented. The Proportion of the whole Cargoes for the Year 1783, divided into Sixteen Parts, is Ten of Raw Silk, and Six only of manufactured

manufactured Goods. Such is the Proportion of this losing Article in the Scheme for the Investment of private Fortunes.

In the reformed Scheme of sending the Investment on Account of the Company, to be paid in Bills upon Europe, no Mention is made of any Change of these Proportions. Indeed some Limits are attempted on the Article of Silk with regard to its Price; and it is not improbable that the Price to the Master and the Servant will be very different; but they cannot make profitable Purchases of this Article, without strongly condemning all the former Purchases of the Board of Trade.

It has been to the British Manufacturers, or to the British Merchants, who were concerned in it in Bengal, and proved highly detrimental to the Company; the Directors refused to consent to the Raw Silk from their Factories. They gave up the Whole to private Traders, on Condition of paying the Freight, Charges, and Duties; permitting them to send it to Europe in the Company's Ships.

CLOTHS OR PIECE GOODS.

The general System above stated relative to the Silk Trade, must materially have affected the Manufacturers of Bengal, merely as it was a System of Preference. It does by no Means satisfactorily appear to Your Committee, that the Freedom held out by the Company's various Orders, has been ever fully enjoyed, or that the Grievances of the Native Merchants and Manufacturers have been redressed. For we find on good Authority, that at that very Period, at which it might be supposed that these Orders had their Operation, the Oppressions were in full Vigour. They appear to have fallen heaviest on the City of Dacca, formerly the great Staple for the finest Goods in India; a Place once full of opulent Merchants and Dealers of all Descriptions.

The City and District of Dacca, before the Prevalence of the East India Company's Influence and Authority, manufactured annually to about Three hundred thousand Pounds Value in Cloths. In the Year 1776, it had fallen to about Two hundred thousand, or Two Thirds of its former Produce. Of this the Company's Demand amounted only to a Fourth Part, that is, about Fifty thousand Pounds yearly. This was at that Time provided by Agents for the Company, under the Inspection of their Commercial Servants. On Pretence of Securing an Advantage for this Fourth Part for their Masters, they exercised a most violent and arbitrary Power over the Whole. It was asserted, that they fixed the Company's Mark to such Goods as they thought fit (to all Goods, as stated in One Complaint) and disposed of them as they thought proper, excluding not only all the Native Dealers, but the Dutch Company, and private English Merchants: That they made Advances to the Weavers, often beyond their known Ability, to repay in Goods within the Year; and by this Means, having

having got them in Debt, held in perpetual Servitude. Their Inability to keep Accounts, left them at the Discretion of the Agents of the Supreme Power to make their Balances what they pleased, and they recovered them not by legal Process, but by Seizure of their Goods, and arbitrary Imprisonment of their Persons. One and the same Dealer made the Advance, valued the Return, framed the Account, and passed the Judgment, and executed the Process.

Mr. Rouse, Chief of the Dacca Province, who struggled against those Evils, says, that in the Year 1773 there were no Balances due, as the Trade was then carried on by the Native Brokers. In less than Three Years these Balances amounted to an immense Sum; a Sum lost to the Company, but existing in full Force for every Purpose of Oppression. In the Amount of these Balances almost every Weaver in the Country bore a Part, and consequently they were almost all caught in this Snare. "They are in general" (says Mr. Rouse, in a Letter to General Clavering, delivered to Your Committee) "a timid helpless people; many of them poor to the utmost Degree of Wretchedness; incapable of keeping Accounts; industrious as it were by Instinct; unable to defend themselves if oppressed; and satisfied if, with continual Labour, they derive from the fair Dealing and Humanity of their Employer, a moderate Subsistence for their Families."

Such were the People who stood accused by the Company's Agents as *pretending* Grievances, in order to be excused the Payment of their Balances. As to the commercial State of the Province in general, Mr. Rouse represents it "to be for these Two Years a perpetual Scene of Complaint and Disputation. The Company's Agents professing to pay higher Rates to Weavers, whilst the Leadenhall Sales shewed an heavy Loss to the Company. The Weavers have even travelled in Multitudes to prefer their Complaints at the Presidency. The Amount of the Investment comparatively small, with Balances comparatively large; and, as I understand, generally contested by the Weavers. The Native Merchants, called *Dildis*, removed from their Influence as prejudicial to the Company's Concerns; and European Merchants complaining against undue Influence of the Company's Commercial Agents, in preventing the free Purchase even of those Goods which the Company never takes."

The Spirit of those Agents will be fully comprehended from a State of the Proceedings before Mr. Rouse and Counsel, on the Complaint of a Mr. Cree, an English free Merchant at Dacca, who had been twice treated in the same injurious manner by the Agents of Mr. Hurst, the Commercial Chief at that Place. On his Complaint to the Board of the Seizure of the Goods and Imprisonment of his Agents, Mr. Hurst was called upon for an Explanation. In return he informed

sent them. That he had sent to one of the Villages to enquire concerning the Matter of Fact alledged. The impartial Person sent to make this Enquiry, was the very Man accused of the Oppressions into which he was sent to examine. The Answer of Mr. Hurst is in an high and determined Tone. He does not deny, "That there are some Instances of Abuse of Power. "But I ask," (says he) what "Authority can guard against the Conduct of Individuals; but that "a single Instance cannot be brought of a general Depravity." Your Committee have Reason to believe these coercive Measures to have been very general, though employed according to the Degree of Resistance opposed to the Monopoly; for we find at one Time, the whole Trade of the Dutch involved in the general Servitude. But it appears very extraordinary, that nothing but the actual Proof of a general Abuse could affect a Practice, the very Principle of which tends to make the Coercion as general as the Trade. Mr. Hurst's Reflection concerning the Abuse of *Authority* is just; but in this Case it is altogether inapplicable, because the Complaint was not of the Abuse, but of the Use of Authority in Matters of Trade which ought to have been free. He throws out a Variety of invidious Reflections against the Council, as if they wanted Zeal for the Company's Service; his Justification of his Practices, and his Declaration of his Resolution to persevere in them, are firm and determined. Asserting the Right and Policy of such Restraints, and laying down a Rule for his Conduct at the Factory, which, he says, will give no Cause of just Complaint to private Traders. He adds, "I have no Doubt but that they have hitherto provided Investments, and it cannot turn to my Interest to preclude them now, though I must ever think it my Duty to combat the private Views of Individuals, who set themselves up as Competitors under that very Body, under whose Licence and Indulgence only they can derive their Privilege of Trade: All I contend for is the *same Influence* my Employers have ever had." He ends by declining any Reply to any of their future References of this Nature.

The Whole of this extraordinary Letter is inserted in the Appendix, N^o 51; and Mr. Rouse's Minute of Observations upon it in Appendix, N^o 52, fully refuting the few Prettexts alledged in that extraordinary Performance, in Support of the Trade by Influence and Authority. Mr. Hollond, one of the Council, joined Mr. Rouse in Opinion, that a Letter to the Purport of that Minute should be written; but they were over-ruled by Messrs. Burling, Hogarth, and Shakespeare, who passed a Resolution to defer sending any Reply to Mr. Hurst, and none was ever sent. Thus they gave Countenance to the Doctrine contained in that Letter, as well as to the mischievous Practices which must inevitably arise from the Exercise

Exercise of such Power. Some temporary and partial Relief was given by the vigorous Exertions of Mr. Rouse; but he shortly after removing from that Government, all Complaints were dropped.

It is remarkable, that during the long and warm Contest between the Company's Agents and the Dealers of Dacca, the Board of Trade seem to have taken a decided Part against the latter. They allow some sort of Justice in the Complaints of the Manufacturers with regard to low Valuation, and other Particulars: But they say, that, "although (during the Time of Pre-emption) it appears that the Weavers were not allowed the same Liberty of selling to Individuals they before enjoyed; our Opinion on the Whole is, that these Complaints have originated upon the premeditated Designs of the Delâls [Factors or Brokers] to thwart the new Mode of carrying on the Company's Business, and to render themselves necessary." They say in another Place, that there is no Ground for the Dissatisfactions and Difficulties of the Weavers; "that they are owing to the Delâls, whose Aim it is to be employed."

This Desire of being employed, and of rendering themselves necessary, in Men whose only Business it is to be employed in Trade, is considered by the Gentlemen of the Board as no trivial Offence, and accordingly they declare, "they have established it as an invariable Rule, that whatever Deficiency there might be in the Dacca Investment, no Purchase of the Manufactures of that Quarter shall be made for Account of the Company from private Merchants. We have passed this Resolution, which we deem of Importance, from a Persuasion that private Merchants are often induced to make Advances for Dacca Goods not by the ordinary Chance of Sale, but merely from an Expectation of disposing of them at an enhanced Price to the Company, against whom a Rivalship is by this Manner encouraged; and they say, "that they intend to observe the same Rule with respect to the Investment of other of the Factories from whence similar Complaints may come."

This positive Rule is opposed to the positive Directions of the Company, to employ those obnoxious Persons by Preference. How far this violent Use of Authority, for the Purpose of destroying Rivalship, has succeeded in reducing the Price of Goods to the Company, has been made manifest by the Facts before stated in their Place.

The recriminatory Charges of the Company's Agents on the Native Merchants, have made very little Impression on Your Committee. We have nothing in favour of them, but the Assertion of a Party powerful and interested. In such Cases of mutual Assertion and Denial, Your Committee are led irresistably to attach Abuse to Power,

and to presume that Suffering and Hardship are more likely to attend on Weakness, than that any Combination of unprotected Individuals is of Force to prevail over Influence, Power, Wealth, and Authority. The Complaints of the Native Merchants ought not to have been treated in any of those Modes, in which they were then treated. And when men are in the Situation of Complainants against unbounded Power, their abandoning their Suit is far from a full and clear Proof of their Complaints being groundless. It is not because Redress has been rendered impracticable, that Oppression does not exist; nor is the Despair of Sufferers an Alleviation of their Afflictions. A Review of some of the most remarkable of the Complaints made by the Native Merchants in that Province, is so essential for laying open the true Spirit of the Commercial Administration, and the real Condition of those concerned in Trade there, that Your Committee, observing the Records on this Subject, and at this Period, full of them, they could not think themselves justifiable in not stating them to the House.

Your Committee have found many heavy Charges of Oppression against Mr. Barwell, whilst Factory Chief at Dacca; which Oppressions are stated to have continued, and even to have been aggravated, on Complaint at Calcutta. These Complaints appear in several Memorials presented to the Supreme Council of Calcutta, of which Mr. Barwell was a Member. They appeared yet more fully and more strongly in a Bill in Chancery, filed in the Supreme Court, which was afterwards recorded before the Governor General and Council, and transmitted to the Court of Directors.

Your Committee, struck with the Magnitude and Importance of these Charges; and finding that with regard to those before the Council, no regular Investigation has ever taken place; and finding also that Mr. Barwell had asserted, in a Minute of Council, that he had given a full Answer to the Allegations in that Bill; ordered a Copy of the Answer to be laid before Your Committee, that they might be enabled to state to the House, how far it appeared to them to be full, how far the Charges were denied as to the Fact, or, where the Facts might be admitted, what Justification was set up. It appeared necessary, in order to determine on the true Situation of the Trade and the Merchants of that great City and District.

The Secretary to the Court of Directors has informed Your Committee, that no Copy of the Answer is to be found in the India House; nor has Your Committee been able to discover that any has been transmitted. On this Failure, Your Committee ordered an Application to be made to Mr. Barwell, for a Copy of his Answer to the Bill, and any other Information with which he might be furnished with regard to that Subject.

Mr.

Mr. Barwell, after reciting the above Letter, returned in Answer what follows.

“ Whether the Records of the Supreme Court of Judicature are
 “ lodged at the India House, I am ignorant, but on those Records
 “ my Answer is certainly to be found. At this Distance of Time,
 “ I am sorry I cannot from Memory recover the Circumstances of
 “ this Affair; but this I know, that the Bill did receive a com-
 “ plete Answer, and the People the fullest Satisfaction; nor is
 “ it necessary for me to remark, that the State of Parties at that
 “ Time in Bengal, could Party have brought forward any Particle
 “ of that Bill, supported by any verified Fact, the Principle that
 “ introduced it in the Proceedings of the Governor General and
 “ Council, would likewise have given the Verification of that one
 “ Circumstance, whatever that might have been. As I generally
 “ attend in my Place in the House, I shall with Pleasure answer
 “ any Invitation of the Gentlemen of the Committee, to attend their
 “ Investigations up Stairs, with every Information and Light in my
 “ Power to give them.”

“ St. James's Square, 15th April, 1783.”

Your Committee considered, that with Regard to the Matter charged in the several Petitions to the Board, no Sort of specific Answer had been given at the Time and Place where they were made, and when and where the Parties might be examined and confronted. It was considered also that the Bill had been transmitted, with other Papers relating to the same Matter, to the Court of Directors, with the Knowledge and Consent of Mr. Barwell; and that he states, that his Answer had been filed, and no Proceedings had upon it for Eighteen Months. In that Situation it was thought something extraordinary, that no Care was taken by him to transmit so essential a Paper as his Answer, and that he had no Copy of it in his Hands.

Your Committee, in this Difficulty, thought themselves obliged to decline any verbal Explanation from the Person who is Defendant in the Suit, relative to Matters, which on the Part of the Complainant appear upon Record, and to leave the whole Matter as it is charged, to the Judgment of the House, to determine how far it may be worthy of a farther Enquiry, or how far they may admit such Allegations as Your Committee could not think themselves justified in receiving.

To this Effect Your Committee ordered a Letter to be written Mr. Barwell; from whom they received the following Answer.

“ Sir,

“ In Consequence of your Letter of the 17th, I must request the
 “ Favour of you to inform the Select Committee, that I expect from
 “ their Justice, on any Matter of public Record in which I am per-
 “ sonally to be brought forward to the Notice of the House, that
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“ they will at the same Time point out to the House what Part of
 “ such Matter has been verified, and what Parts have not, nor ever
 “ were attempted to be verified, though introduced in Debate, and
 “ entered on the Records of the Governor General and Council of
 “ Bengal. I am anxious the Information should be compleat, or
 “ the House will not be competent to judge; and if it is compleat,
 “ it will preclude all Explanation as unnecessary.

“ I am, Sir,

“ Your most obedient humble Servant,

“ RICHARD BARWELL.”

“ St. James's Square,

“ 22d April, 1783.

“ P. S. As I am this Moment returned from the Country, I had
 “ it not in my Power to be earlier in acknowledging your Letter of
 “ the 17th.”

Your Committee applied to Mr. Barwell, to communicate any Papers which might tend to the Elucidation of Matters before them in which he was concerned. This he has declined to do. Your Committee conceive, that under the Orders of the House, they are by no Means obliged to make a compleat State of all the Evidence which may tend to criminate or exculpate every Person, whose Transactions they may find it expedient to report; this, if not specially ordered, has not hitherto been, as they apprehend, the Usage of any Committee of this House. It is not for Your Committee, but for the Discretion of the Party to call for, and for the Wisdom of the House to institute, such Proceedings as may tend finally to condemn or acquit. The Reports of Your Committee are no Charges, though they may possibly furnish *Matter* for Charge; and no Representations or Observations of theirs can either clear or convict, on any Proceeding which may hereafter be grounded on the Facts which they produce to the House. Their Opinions are not of a judicial Nature. Your Committee has taken abundant Care, that every important Fact in their Report should be attended with the Authority for it, either in the Course of their Reflections, or in the Appendix: To report every Thing upon every Subject before them, which is to be found on the Records of the Company, would be to transcribe, and in the Event to print, almost the Whole of those voluminous Papers. The Matter which appears before them is, in a summary Manner, this:

The Dacca Merchants begin by complaining, That in November 1773, Mr. Richard Barwell, then Chief of Dacca, had deprived them of their Employment and Means of Subsistence; that he had extorted from them 44,224 Arcot Rupees (£4731) by the Terror of his Threats, by long Imprisonment, and cruel Confinement in the Stocks; that afterwards they were confined in a small Room near the Factory

Factory Gate, under a Guard of Sepoys; that their Food was stopt, and they remained starving a whole Day; that they were not permitted to take their Food till next Day at Noon, and were again brought back to the same Confinement, in which they were continued for Six Days, and were not set at Liberty until they had given Mr. Barwell's Banyan a Certificate for Forty Thousand Rupees; that in July 1774, when Mr. Barwell had left Dacca, they went to Calcutta to seek Justice; that Mr. Barwell confined them in his House at Calcutta, and sent them back under a Guard of Peons to Dacca; that in December 1774, on the Arrival of the Gentlemen from Europe, they returned to Calcutta, and preferred their Complaint to the Supreme Court of Judicature.

The Bill in Chancery filed against Richard Barwell, John Shakespeare, and Others, contains a minute Specification of the various Acts of personal Cruelty, said to be practised by Mr. Barwell's Orders, to extort Money from these People. Among other Acts of a similar Nature, he is charged with having ordered the Appraiser of the Company's Cloths, who was an old Man, and who asserts that he had faithfully served the Company above Sixteen Years, without the least Censure on his Conduct, to be severely flogged without Reason.

In the *Manner* of confining the Delâls with Ten of their Servants, it is charged on him, that "when he first ordered them to be put into the Stocks, it was at a Time when the Weather was exceedingly bad, and the Rain very heavy, without allowing them the least Covering for their Heads, or any Part of their Body, or any Thing to raise them from the wet Ground; in which Condition they were continued for many Hours, until the said Richard Barwell thought proper to remove them into a far worse State, if possible, as if studying to exercise the most cruel Acts of Barbarity on them, &c.— And that during their Imprisonment they were frequently carried to and tortured in the Stocks, in the Middle of the Day, when the scorching Heat of the Sun was insupportable, notwithstanding which they were denied the least Covering." These Men assert, that they had served the Company, without Blame, for Thirty Years, — a Period commencing long before the Power of the Company in India.

It was no slight Aggravation of this Severity, that the Objects were not young, nor of the lowest of the People, who might, by the Vigour of their Constitutions, or by the Habits of Hardship, be enabled to bear up against Treatment so full of Rigour. They were aged Persons. They were Men of a reputable Profession.

The Account given by these Merchants, of their first Journey to Calcutta, in July 1774, is circumstantial and remarkable. They say, "that, on their Arrival, to their Astonishment they soon learned, that
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“ the Governor, who had formerly been violently engaged against the said
 “ Richard Barwell, for different Improprieties in his Conduct, was now
 “ reconciled to him; and that, ever since there was a Certainty of His
 “ Majesty's Appointments taking Place in India, from being the most
 “ inveterate Enemies they were now become the most intimate Friends;
 “ and that this Account soon taught them to believe they were not any
 “ nearer Justice from their Journey to Calcutta, than they had been before
 “ at Dacca.”

When this Bill of Complaint was, in 1776, laid before the Council, to be transmitted to the Court of Directors, Mr. Barwell complained of the Introduction of such a Paper, and asserted, that he had answered to every Particular of it on Oath, about Eighteen Months, and that, during this long Period, no Attempt had been made to controvert, refute, or even to reply to it.

He did not, however, think it proper to enter his Answer on the Records along with the Bill, of whose Introduction he complained.

On the Declarations made by Mr. Barwell in his Minute (September 1776) Your Committee observe, that considering him only as an Individual, under Prosecution in a Court of Justice, it might be sufficient for him to exhibit his Defence in the Court where he was accused; but that, as a Member of Government, specifically charged before that very Government with abusing the Powers of his Office in a very extraordinary Manner, and for Purposes (as they alledge) highly corrupt and criminal, it appears to Your Committee hardly sufficient, to say, that he had answered elsewhere. The Matter was to go before the Court of Directors, to whom the Question of his Conduct in that Situation, a Situation of the highest Power and Trust, was as much at least a Question of State, as a Matter of Redress to be solely left to the Discretion, Capacity, or Perseverance of Individuals. Mr. Barwell might possibly be generous enough to take no Advantage of his eminent Situation: But these unfortunate People would rather look to his Power than his Disposition. In general, a Man so circumstanced and so charged (though we do not know this to be the Case with Mr. Barwell) might easily contrive by legal Advantages to escape. The Plaintiffs being at a great Distance from the Seat of Government, and possibly affected by Fear, or Fatigue, or seeing the Impossibility of sustaining, with the Ruins of Fortunes never perhaps very opulent, a Suit against Wealth, Power, and Influence, a Compromise might even take Place, in which Circumstances might make the Complainants gladly acquiesce. But the Public Injury is not in the least repaired by the Acquiescence of Individuals, as it touched the Honour of the very highest Parts of Government. In the Opinion of Your Committee some Means ought to have been taken to bring the Bill to a Decision on the Merits; or, supposing that such Decree could not be obtained, by Reason of any Failure of Proceeding

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on the Part of the Plaintiffs, that some Process, official or juridical, ought to have been instituted against them, which might prove them guilty of Slander and Defamation, in as authentic a Manner as they had made their Charge, before the Council as well as the Court.

By the Determination of Mr. Hurst, and the Resolutions of the Board of Trade, it is much to be apprehended, that the Native mercantile Interest must be exceedingly reduced. The abovementioned Resolutions of the Board of Trade, if executed in their Rigour, must almost inevitably accomplish its Ruin. The subsequent Transactions are covered with an Obscurity which Your Committee have not been able to dispel. All which they can collect, but that by no Means distinctly, is, that as those who trade for the Company in the Articles of Investment, may also trade for themselves in the same Articles, the old Opportunities of confounding the Capacities must remain, and all the Oppressions by which this Confusion has been attended. The Company's Investments, as the General Letter from Bengal of the 20th of November 1775, Par. 28. states the Matter, "are never at a Stand; Advances are made and Goods are received all the Year round." Balances, the grand Instrument of Oppression, naturally accumulate on poor Manufacturers who are intrusted with Money. Where there is not a vigorous Rivalship, not only tolerated but encouraged, it is impossible ever to redeem the Manufacturers from the Servitude induced by those unpaid Balances.

No such Rivalship does exist: The Policy practised and avowed is directly against it. The Reasons assigned in the Board of Trade's Letter of the 28th of November 1778, for its making their Advances early in the Season, is, to prevent the Foreign Merchants and private Traders *interfering* with the Purchase of their (the Company's) Assortments. "They also refer to the Means taken to prevent this Interference in their Letter of 26th January 1779." It is impossible that the small Part of the Trade should not fall into the Hands of those who with the Name and Authority of the governing Persons have such extensive Contracts in their Hands. It appears in Evidence, that Natives can hardly trade to the best Advantage, (Your Committee doubt whether they can trade to any Advantage at all) if not joined with or countenanced by British Subjects. The Directors were, in 1775, so strongly impressed with this Notion, and conceived the Native Merchants to have been even then reduced to so low a State, that, notwithstanding the Company's earnest Desire of giving them a Preference, they "doubt whether there are at this time in Bengal Native Merchants possessed of Property adequate to such Undertaking, or of Credit and Responsibility sufficient to make it safe and prudent to trust them with such Sums as might be necessary, to enable them to fulfil their Engagements with the Company."

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The Effect, which so long continued a Monopoly, followed by a Pre-emption, and then by partial Preferences supported by Power, must necessarily have in weakening the mercantile Capital, and disabling the Merchants from all Undertakings of Magnitude, is but too visible. However, a Witness of Understanding and Credit does not believe the Capitals of the Natives to be yet so reduced as to disable them from partaking in the Trade, if they were otherwise able to put themselves on an equal Footing with Europeans.

The Difficulties at the Outset will however be considerable. For the long Continuance of Abuse has in some Measure conformed the whole Trade of the Country to its false Principle. To make a sudden Change, therefore, might destroy the few Advantages which attend any Trade, without securing those which must flow from one established upon sound Mercantile Principles, whenever such a Trade can be established. The Fact is, that the forcible Direction which the Trade of India has had towards Europe, to the Neglect, or rather to the total abandoning of the Asiatic, has of itself tended to carry even the internal Business from the Native Merchant. The Revival of Trade in the Native Hands is of absolute Necessity; but Your Committee is of Opinion, that it will rather be the Effect of a regular progressive Course of Endeavours for that Purpose, than of any one Regulation, however wisely conceived.

After this Examination into the Condition of the Trade and Traders in the principal Articles provided for the Investment to Europe, Your Committee proceeded to take into Consideration those Articles, the Produce of which, after Sale in Bengal, is to form a Part of the Fund for the Purchase of other Articles of Investment, or to make a Part of it in Kind. These are, 1st, Opium; 2dly, Salt-Petre; and 3dly, Salt. These are all monopolized.

O P I U M.

THE First of the Internal authorised Monopolies is that of Opium. This Drug, extracted from a Species of the Poppy, is of extensive Consumption in most of the Eastern Markets. The best is produced in the Province of Bahar: In Bengal it is of an inferior Sort, though of late it has been improved. This Monopoly is to be traced to the very Origin of our Influence in Bengal. It is stated to have begun at Patna so early as the Year 1761, but it received no considerable Degree of Strength or Consistence until the Year 1765; when the Acquisition of the Dûanny opened a wide Field for all Projects of this Nature. It was then adopted, and owned as a Resource for Persons in Office; was managed chiefly by the Civil Servants of
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the Patna Factory, and for their own Benefit. The Policy was justified on the usual Principles on which Monopolies are supported, and on some peculiar to the Commodity, to the Nature of the Trade, and to the State of the Country : The Security against Adulteration ; the Prevention of the excessive Home Consumption of a pernicious Drug ; the stopping an excessive Competition, which, by an over-proportioned Supply, would at length destroy the Market abroad ; the Inability of the Cultivator to proceed in an expensive and precarious Culture, without a large Advance of Capital ; and lastly, the Incapacity of private Merchants to supply that Capital on the feeble Security of wretched Farmers.

These were the principal Topics on which the Monopoly was supported. The last Topic leads to a serious Consideration on the State of the Country : For in pushing it, the Gentlemen argued, that in Case such private Merchants should advance the necessary Capital, the lower Cultivators "*would get Money in Abundance.*" Admitting this Fact, it seems to be a Part of the Policy of this Monopoly to prevent the Cultivator from obtaining the natural Fruits of his Labour. Dealing with a private Merchant he could not get *Money in Abundance*, unless his Commodity could procure *an abundant Profit*. Farther Reasons, relative to the Peace and good Order of the Province, were assigned for thus preventing the Course of Trade from the equitable Distribution of the Advantages of the Produce, in which the first, the poorest, and the most laborious Producer ought to have his first Share. The Cultivator (they add) would squander Part of the Money, and not be able to complete their Engagements to the full ; Law Suits, and even Battles would ensue, between the Factors, contending for a deficient Produce ; and the Farmers would discourage the Culture of an Object which brought so much Disturbance into their Districts. This Competition, the Operation of which they endeavour to prevent, is the natural Corrective of the Abuse, and the best Remedy which could be applied to the Disorder, even supposing its probable Existence.

Upon whatever Reasons or Pretences the Monopoly of Opium was supported, the real Motive appears to be the Profit of those who were in Hopes to be concerned in it. As these Profits promised to be very considerable, at length it engaged the Attention of the Company ; and after many Discussions and various Plans of Application, it was at length taken for their Benefit, and the Produce of the Sale ordered to be employed in the Purchase of Goods for their Investment.

In the Year 1773 it had been taken out of the Hands of the Council of Patna, and leased to Two of the Natives ; but for a Year only. The Contractors were to supply a certain Quantity of Opium at a given Price. Half the Value was to be paid to those Contractors in Advance, and the other Half on the Delivery.

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The Proceedings on this Contract demonstrated the Futility of all the Principles on which the Monopoly was founded. The Council, as a Part of their Plan, were obliged, by heavy Duties, and by a Limitation of the Right of Emption of foreign Opium to the Contractors for the Home Produce, to check the Influx of that Commodity from the Territories of the Nabob of Oude, and the Rajah of Benares. In these Countries no Monopoly existed; and yet there the Commodity was of such a Quality and so abundant, as to bear the Duty, and, even with the Duty, in some Degree to rival the Monopolist even in his own Market. There was no Complaint in those Countries of Want of Advances to Cultivators, or of Law Suits and Tumults among the Factors; nor was there any Appearance of the Multitude of other Evils, which had been so much dreaded from the Vivacity of Competition.

On the other Hand, several of the Precautions inserted in this Contract, and repeated in all the subsequent, strongly indicated the Evils, against which it is extremely difficult, if not impossible, to guard a Monopoly of this Nature, and in that Country. For in the first Contract entered into with the Two Natives, it was strictly forbidden to compel the Tenants to the Cultivation of this Drug. Indeed, very shocking Rumours had gone abroad, and they were aggravated by an Opinion universally prevalent, that even in the Season immediately following that dreadful Famine which swept off One Third of the Inhabitants of Bengal, several of the poorer Farmers were compelled to plow up the Fields they had sown with Grain, in Order to plant them with Poppies for the Benefit of the Engrossers of Opium. This Opinion grew into a strong Presumption, when it was seen that in the next Year the Produce of Opium (contrary to what might be naturally expected in a Year following such a Dearth) was nearly doubled. It is true, that when the Quantity of Land necessary for the Production of the largest Quantity of Opium is considered, it is not just to attribute that Famine to these Practices, nor to any that were or could be used; yet, where such Practices did prevail, they must have been very oppressive to Individuals, extremely insulting to the Feelings of the People, and must tend to bring great and deserved Discredit on the British Government. The English are a People who appear in India as a conquering Nation; all Dealing with them is therefore more or less a Dealing with Power. It is such when they trade on a private Account; and it much more so in any authorized Monopoly, where the Hand of Government, which ought never to appear but to protect, is felt as the Instrument in every Act of Oppression. Abuses must exist in a Trade and a Revenue so constituted, and there is no effectual Cure for them, but to entirely cut off their Cause.

Things continued in this Train until the great Revolution in the Company's Government was wrought by the Regulating Act of the Thirteenth of the King. In 1775 the new Council General appointed by the Act took this troublesome Business again into Consideration. General Clavering, Colonel Monson, and Mr. Francis, expressed such strong Doubts of the Propriety of this, and of all other Monopolies, that the Directors, in their Letter of the Year following, left the Council at Liberty to throw the Trade open, under a Duty, if they should find it practicable. But General Clavering, who most severely censured Monopoly in general, thought that this Monopoly ought to be retained; but for a Reason which shews his Opinion of the wretched State of the Country; for he supposed it impossible, with the Power and Influence which must attend British Subjects in all their Transactions, that Monopoly could be avoided, and preferred an avowed Monopoly which brought Benefit to Government to a virtual Engrossing, attended with Profit only to Individuals. But in this Opinion he did not seem to be joined by Mr. Francis, who thought the Suppression of this, and of all Monopolies, to be practicable; and strongly recommended their Abolition in a Plan sent to the Court of Directors the Year following.

The Council, however, submitting to the Opinion of this Necessity, endeavoured to render that dubious Engagement as beneficial as possible to the Company. They began by putting up the Contract to the highest Bidder. The Proposals were to be sealed. When the Seals came to be opened, a very extraordinary Scene appeared. Every Step in this Business develops more and more the Effect of this Junction of public Monopoly and private Influence. Four English and Eight Natives were Candidates for the Contract; Three of the English far over-bid the Eight Natives. They who consider that the Natives, from their superior Dexterity, from their Knowledge of the Country and of Business, and from their extreme Industry, Vigilance, and Parsimony, are generally an Over-match for Europeans, and indeed are, and must ultimately be, employed by them, in all Transactions whatsoever, will find it very extraordinary that they did not, by the best Offers, secure this Dealing to themselves. It can be attributed to this Cause, and this only, that they were conscious that without Power and Influence to subdue the Cultivators of the Land to their own Purposes, they never could afford to engage on the lowest possible terms. Those, whose Power entered into the Calculation of their Profits, could offer, as they did offer, Terms without Comparison better; and therefore One of the English Bidders, without Partiality, secured the Preference.

The Contract to this First Bidder, Mr. Griffiths, was prolonged from Year to Year; and as during that Time frequent Complaints were made by him to the Council Board, on the Principle that the Years answered very differently, and that the Business of one Year

ran into the other, Reasons or Excuses were furnished for giving the next Contract to Mr. Mackenzie for Three Years. This Third Contract was not put up to Auction as the Second had been, and as this ought to have been. The Terms were indeed something better for the Company, and the Engagement was subject to Qualifications, which, though they did not remove the Objection to the Breach of the Company's Orders, prevented the Hands of the Directors from being tied up. A Proviso was inserted in the Contract, that it should not be anyways binding if the Company, by Orders from Home, should alter the existing Practice with regard to such Dealing.

Whilst these Things were going on, the Evils which this Monopoly was in Shew and Pretence formed to prevent, still existed; and those which were naturally to be expected from a Monopoly, existed too. Complaints were made of the bad Quality of the Opium; Trials were made; and on those Trials the Opium was found faulty. An Office of Inspection at Calcutta, to ascertain its Goodness, was established; and Directions given to the Provincial Councils at the Places of Growth, to certify the Quantity and Quality of the Commodity transmitted to the Presidency.

In 1776, notwithstanding an Engagement in the Contract strictly prohibiting all compulsory Culture of the Poppy, Information was given to a Member of the Council General, that Fields green with Rice had been forcibly plowed up to make Way for that Plant; and that this was done in the Presence of several English Gentlemen, who beheld the Spectacle with a just and natural Indignation. The Board, struck with this Representation, ordered the Council of Patna to make an Enquiry into the Fact; but Your Committee can find no Return whatsoever to this Order. The Complaints were not solely on the Part of the Cultivators against the Contractor. The Contractor for Opium made loud Complaints against the inferior Collectors of the Landed Revenue, stating their undue and vexatious Exactions from the Cultivators of Opium; their throwing these unfortunate People into Prison upon frivolous Pretences, by which the Tenants were ruined, and the Contractor's Advances lost. He stated, that if the Contractor should interfere in favour of the Cultivator, then a Deficiency would be caused to appear in the Landed Revenues, and that Deficiency would be charged on his Interposition; he desired therefore that the Cultivators of Opium should be taken out of the general System of the Landed Revenue, and put under "his Protection." Here the Effect, naturally to be expected from the clashing of inconsistent Revenues, appeared in its full Light, as well as the State of the unfortunate Peasants of Bengal between such rival Protectors, where the Plowman flying from the Tax-gatherer, is obliged to take refuge under the Wings of the Monopolist. No Dispute arises amongst the English Subjects, which does not divulge the

the Misery of the Natives; when the former are in Harmony, all is well with the latter.

This Monopoly, continuing and gathering Strength, through a Succession of Contractors, and being probably a most lucrative Dealing, it grew to be every Day a greater Object of Competition. The Council of Patna endeavoured to recover the Contract, or at least the Agency, by the most inviting Terms; and in this eager State of mutual Complaint and Competition between private Men and public Bodies, Things continued until the Arrival in Bengal of Mr. Stephen Sullivan, Son of Mr. Sullivan, Chairman of the East-India Company, which soon put an End to all Strife and Emulation.

To form a clear judgment on the decisive Step taken at this Period, it is proper to keep in View the Opinion of the Court of Directors concerning Monopolies, against which they had uniformly declared in the most precise Terms; they never submitted to them but as to a present Necessity: It was therefore not necessary for them to express any particular Approbation of a clause in Mr. Mackenzie's Contract, which was made in Favour of their own Liberty. Every Motive led them to preserve it. On the Security of that Clause, they could alone have suffered to pass over in Silence (for they never approved) the Grant of the Contract which contained it for Three Years. It must also be remembered, that they had from the Beginning positively directed that the Contract should be put up to public Auction; and this not having been done in Mr. Mackenzie's Case, they severely reprimanded the Governor General and Council, in their Letter of the 23d December, 1778.

The Court of Directors were perfectly right in shewing themselves tenacious of this Regulation; not so much to secure the best practicable Revenue from their Monopoly whilst it existed; but for a much more essential Reason; that is, from the Corrective which this Method administered to that Monopoly itself: It prevented the British Contractor from becoming doubly terrible to the natives, when they should see, that his Contract was in effect a *Grant*, and therefore Indicated particular Favour and private Influence with the ruling Members of an absolute Government.

On the Expiration of Mr. Mackenzie's Term, and but a few Months after Mr. Sullivan's Arrival, the Governor General (as if the Contract was a Matter of Patronage, and not of Dealing) pitched upon Mr. Sullivan as the most proper Person for the Management of this critical Concern. Mr. Sullivan, though a perfect Stranger to Bengal, and to that Sort, and to all Sorts of local Commerce, made no Difficulty of accepting it. The Governor General was so fearful that his true Motives in this Business should be mistaken, or that the smallest Suspicion should arise of his attending to the Company's Orders, that, far from putting up the Contract, (which on Account

of its known Profits had become the object of such Pursuit) to *public Auction*; he did not wait for receiving so much as a *private Proposal* from Mr. Sullivan. The Secretary perceived that in the rough Draft of the Contract, the old Recital of a Proposal to the Board was inserted as a Matter of Course, but was contrary to the Fact: He therefore remarked it to Mr. Hastings. Mr. Hastings, with great Indifference, ordered that Recital to be *omitted*; and the Omission, with the Remark that led to it, has, with the same easy Indifference, been sent over to his Masters.

The Governor General and Council declare themselves apprehensive, that Mr. Sullivan might be a Loser by his Bargain, upon Account of Troubles which they supposed existing in the Country which was the Object of it. This was the more indulgent, because the Contractor was tolerably secured against all Losses. He received a certain Price for his Commodity; but he was not obliged to pay any certain Price to the Cultivator; who, having no other Market than his, must sell it to him at his own Terms. He was to receive Half the Yearly Payment by *Advance*; and he was not obliged to advance to the Cultivator more than what he thought expedient: But if this should not be enough, he might (if he pleased) draw the *whole* Payment before the total Delivery: Such were the Terms of the Engagement with him. He is a Contractor of a new Species, who employs no Capital whatsoever of his own, and has the Market of Compulsion at his entire Command. But all these Securities were not sufficient to the anxious Attention of the Supreme Council for Mr. Sullivan's Welfare; Mr. Hastings had before given him the Contract without any Proposal on his Part; and to make their Gift perfect, in a Second Instance they proceed a Step beyond their former ill Precedent, and they contract with Mr. Sullivan for *Four* Years.

Nothing appears to have been considered but the Benefit of the Contractor, and for this Purpose the Solitude shewn in all the Provisions could not be exceeded. One of the first Things that struck Mr. Hastings, as a Blemish on his Gift, was the Largeness of the Penalty, which he had on former Occasions settled as the Sanction of the Contract; this he now discovered to be so great, as to be likely to frustrate its End, by the Impossibility of recovering so large a Sum. How a large Penalty can prevent the Recovery of any, even the smallest Part of it, is not quite apparent. In so vast a Concern as that of Opium, a Fraud which at first View may not appear of much Importance, and which may be very difficult in the Discovery, may easily counterbalance the reduced Penalty in this Contract, which was settled in Favour of Mr. Sullivan at about £. 20,000.

Monopolies were (as the House has observed) only tolerated Evils, and at best upon Trial; a Clause therefore was inserted in the Contracts to Mackenzie, annulling the Obligation if the Court of Directors

tors should resolve to abolish the Monopoly; but at the Request of Mr. Sullivan, the Contract was without Difficulty purged of this obnoxious Clause. The Term was made absolute; the Monopoly rendered irrevocable; and the Discretion of the Directors wholly excluded. Mr. Hastings declared the reserved Condition to be no longer necessary, "because the Directors had approved the Monopoly."

The Chiefs and Councils at the principal Factories had been obliged to certify the Quantity and Quality of the Opium before its Transport to Calcutta, and their Controul over the Contractor had been assigned as the Reason for not leaving to those Factories the Management of this Monopoly. Now Things were changed. Orders were sent to discontinue this Measure of invidious Precaution, and the Opium was sent to Calcutta without any Thing done to ascertain its Quality or even its Quantity.

An Office of Inspection had been also appointed to examine the Quality of the Opium on its Delivery at the capital Settlement. In order to ease Mr. Sullivan from this troublesome Formality, Mr. Hastings abolished the Office; so that Mr. Sullivan was then totally freed from all Examination or Controul whatsoever, either first or last.

These extraordinary Changes in favour of Mr. Sullivan, were attended with Losses to others, and seem to have excited much Discontent. This Discontent it was necessary in some Manner to appease. The Vendue Master, who was deprived of his accustomed Dues on the public Sales of the Opium by the private Dealing, made a formal Complaint to the Board against this as well as other Proceedings relative to the same Business. He attributed the private Sale to "*Reasons of State*;" and this strong Reflection, both on the Board of Trade and the Council Board, was passed over without Observation. He was quieted by appointing him to the Duty of these very Inspectors, whose Office had been just abolished as useless. The House will judge of the Efficacy of the Revival of this Office by the Motives to it, and by Mr. Hastings giving that to *one as a Compensation*, which had been executed by several as *a Duty*. However, the Orders for taking away the precautionary Inspection at Patna still remained in Force.

Some Benefits, which had been given to former Contractors at the Discretion of the Board, were no longer held under that loose Indulgence, but were secured to Mr. Sullivan by his Contract. Other Indulgencies of a lesser Nature, and to which no considerable Objection could be made, were, on the Application of a Mr. Benn, calling himself his Attorney, granted.

Your Committee examining Mr. Higginson, late a Member of the Board of Trade, on that Subject, were informed, that this Contract, very soon after the making, was generally understood at Calcutta to have

have been sold to this Mr. Benn; but he could not particularize the Sum for which it had been assigned; and that Mr. Benn had afterwards sold it to a Mr. Young. By this Transaction it appears clearly, that the Contract was given to Mr. Sullivan for no other Purpose than to supply him with a Sum of Money; and the Sale and Re-sale seem strongly to indicate, that the Reduction of the Penalty, and the other favourable Conditions, were not granted for his Ease, in a Business which he never was to execute, but to heighten the Value of the Object which he was to sell. Mr. Sullivan was at the Time in Mr. Hastings's Family, accompanied him in his Progresses, and held the Office of Judge Advocate.

The Monopoly given for these Purposes thus permanently secured, all Power of Reformation cut off, and almost every Precaution against Fraud and Oppression removed, the Supreme Council found, or pretended to find, that the Commodity for which they had just made such a Contract, was not a saleable Article; and, in consequence of this Opinion or Pretence, entered upon a daring Speculation, hitherto unthought of, that, of sending the Commodity on the Company's Account to the Market of Canton. The Council alledged, that the Dutch being driven from Bengal, and the Seas being infested with Privateers, this Commodity had none, or a very dull and depreciated Demand.

Had this been true, Mr. Hastings's Conduct could admit of no Excuse. He ought not to burthen a falling Market by long and heavy Engagements. He ought studiously to have kept in his Power the Means of proportioning the Supply to the Demand. But his Arguments, and those of the Council on that Occasion, do not deserve the smallest Attention. Facts, to which there is no Testimony but the Assertion of those who produce them in Apology for the ill Consequences of their own irregular Actions, cannot be admitted. Mr. Hastings and the Council had nothing at all to do with that Business: The Court of Directors had wholly taken the Management of Opium out of his and their Hands, and by a solemn Adjudication fixed it in the Board of Trade. But after it had continued there some Years, Mr. Hastings, a little before his Grant of the Monopoly to Mr. Sullivan, though proper to reverse the Decree of his Masters, and by his own Authority to recall it to the Council. By this step he became responsible for all the Consequences.

The Board of Trade appear indeed to merit Reprehension for disposing of the Opium by private Contract, as by that Means the unerring Standard of the public Market cannot be applied to it; but they justified themselves by their Success: And One of their Members informed Your Committee, that their last sale had been a good one; and, though he apprehended a Fall in the next, it was not such as, in the Opinion of your Committee, could justify the Council General in having Recourse to untried and hazardous Speculations of Commerce.

Commerce. It appears that there must have been a Market, and one sufficiently lively. They assign as a Reason of this assigned Dullness of Demand, that the Dutch had been expelled from Bengal, and could not carry the usual Quantity to Batavia: but the Danes were not expelled from Bengal, and Portuguese Ships traded there; neither of them were interdicted at Batavia, and the Trade to the Eastern Ports was free to them. The Danes actually applied for and obtained an Increase of the Quantity to which their Purchases had been limited; and, as they asked, so they received, this Indulgence as a great Favour. It does not appear, that they were not very ready to supply the Place of the Dutch. On the other hand, there is no Doubt that the Dutch would most gladly receive an Article convenient, if not necessary, to the Circulation of their Commerce, from the Danes, or under any Name; nor was it fit that the Company should use an extreme Strictness in any Enquiry concerning the necessary Disposal of one of their own staple Commodities.

The Supply of the Canton Treasury with Funds for the Provision of the next Year's China Investment, was the Ground of this Plan; but the Council General appear still to have the particular Advantage of Mr. Sullivan in View; and, not satisfied with breaking so many of the Company's Orders for that Purpose, to make the Contract an Object saleable to the greatest Advantage, were obliged to transfer their personal Partiality from Mr. Sullivan to the Contract itself, and to hand it over to the Assignees through all their Successions. When the Opium was delivered, the Duties and Emoluments of the Contractor ended; but (it appears from Mr. Williamson's Letter, 18th October 1781, and it is not denied by the Council General) this new Scheme furnished them with a Pretext of making him Broker for China Investment, with the Profit of a new Commission—to what Amount does not appear: But here their constant and vigilant Observer, the Vendue Master, met them again: They seemed to live in no small Terror of this Gentleman. To satisfy him for the Loss of his Fee, to which he was intitled upon the public Sale, they gave him also a Commission of One per Cent. on the Investment. Thus was this Object loaded with a double Commission, and every Act of Partiality to one Person produced a chargeable Compensation to some other for the Injustice that such Partiality produced. Nor was this the Whole. The Discontent and Envy excited by this Act, went infinitely farther than to those immediately affected, and something or other was to be found out, to satisfy as many as possible.

As soon as it was discovered that the Council entertained a Design of opening a Trade on those Principles, it immediately engaged the Attention of such as had an Interest in Speculations of Freight.

A Memorial seems to have been drawn early, as it is dated on the 29th of March, though it was not the First publicly presented to the Board. This Memorial was presented on the 17th of September 1781,

by Mr. Wheler, conformable (as he says) to the Desire of the Governor General; and it contained a long and elaborate Differtation on the Trade to China, tending to prove the Advantage of extending the Sale of English Manufactures and other Goods to the North of that Country, beyond the usual Emporium of European Nations. This ample, and not ill-reasoned theoretical Performance, (though not altogether new, either in Speculation or Attempt) ended by a practical Proposition, very short indeed of the Ideas opened in the Preliminary Discourse, but better adapted to the immediate Effect. It was, That the Company should undertake the Sale of its own Opium in China, and commit the Management of the Business to the Memorialist, who offered to furnish them with a strong armed Ship for that Purpose. The Offer was accepted, and the Agreement made with him, for the Transport of Two Thousand Chests.

A Proposal by another Person was made the July following the Date of this Project; it appears to have been early in the formal Delivery at the Board; this was for the Export of One thousand Four hundred and Eighty Chests. This too was accepted, but with new Conditions and Restrictions; for in so vast and so new an Undertaking, great Difficulties occurred. In the first Place, all Importation of that Commodity is rigorously forbidden by the Laws of China. The Impropriety of a political Trader, who is Lord over a great Empire, being concerned in a contraband Trade upon his own Account, did not seem in the least to affect them; but they were struck with the obvious Danger of subjecting their Goods to Seizure, by the Vastness of the prohibited Import. To secure the larger Adventure, they require of the China Factory that Colonel Watson's Ship should enter the Port of Canton as an *armed Ship* (they would not say a Ship of War, though that must be meant) that her Cargo should not be reported; they also ordered that other Measures should be adopted to secure this prohibited Article from Seizure.

If the Cargo should get in safe, another Danger was in View—the overloading the Chinese Market, by a Supply beyond the Demand: For it is obvious that Contraband Trade must exist by small Quantities of Goods poured in by Intervals, and not by great Importations at one Time. To guard against this Inconvenience, they divide their Second, though the smaller Adventure, into Two Parts, one of which was to go to the Markets of the barbarous Natives which inhabit the Coast of Malacca, where the Chance of its being disposed of by Robbery or Sale, were at least equal. If the Opium should be disposed of there, the Produce was to be invested in Merchandize saleable in China, or in Dollars if to be had; the other Part (about One Half) was to go in Kind directly to the Port of Canton.

The Dealing at this Time seemed closed: But the Gentlemen who chartered the Ships, always recollecting something, applied anew to the Board, to be furnished with Cannon from the Company's

Company's Ordnance. Some was delivered to them; but the Office of Ordnance (so heavily expensive to the Company) was not sufficient to spare a few iron guns for a Merchant Ship. Orders were given to cast a few Cannon; and an Application made to Madras, at a Thousand Miles Distance, for the Rest. Madras answers, that they cannot exactly comply with the Requisition; But still the Board at Bengal *hopes* better Things from them than they promise, and flatter themselves that, with their Assistance, they shall properly arm a ship of Thirty-two guns.

Whilst these Dispositions were making, the first Proposer, perceiving Advantages from the circuitous Voyage of the Second, which had escaped his Observation to make amends for his first Omission, improved both on his own Proposal, and on that of the Person who had improved on him. He therefore applied for Leave to take Two hundred and Fifty Chests on his own Account, which he said could "be readily disposed of at the several Places where it was necessary for the Ship to touch for Wood and Water, or Intelligence during her intended Voyage through the *Eastern Islands*." As a Corrective to this extraordinary Request, he assured the Board, that if he should meet with any unexpected Delay at these Markets, he would send their Cargo to its Destination, having secured a *swift-sailing* Sloop for the *Protection* of his Ship, and this Sloop he proposed in such a Case to leave behind. Such an extraordinary eagerness to deal in Opium, lets in another View of the Merits of the alledged Dullness of the Market, on which this Trade was undertaken for the Company's Account.

The Council, who had with great Condescension and official Facility consented to every Demand hitherto made, were not reluctant with regard to this last. The Quantity of Opium required by the Freighters, and the Permission of a trading Voyage, were granted without Hesitation. The Cargo having become far more Valuable by this small Infusion of private Interest, the Armament which was deemed sufficient to defend the Company's large Share of the Adventure, was now discovered to be unequal to the Protection of the Whole. For the Convoy of these two Ships the Council hire and arm another. How they were armed, or whether in fact they were properly armed at all, does not appear. It is true that the Supreme Council proposed, that these Ships should also convey Supplies to Madras; but this was a secondary Consideration. — their primary Object was the Adventure of Opium. To this they were permanently attached and were obliged to attend to its final Destination.

The Difficulty of disposing of the Opium, according to this Project, being thus got over, a material preliminary Difficulty still stood in the Way of the whole Scheme. The Contractor, or his Assignees, were to be paid. The Company's Treasure was wholly exhausted; and even its Credit was exceedingly strained. The latter, however, was the bet-

ter Resource, and to this they resolved to apply. They, therefore, at different Times, opened Two Loans of One Hundred Thousand Pounds each; The First was reserved for the Company's Servants, civil and military, to be distributed in Shares according to their Rank; the other was more general. The terms of both Loans were, that the Risque of the Voyage was to be on Account of the *Company*. The Payment was to be in Bills (at a rate of Exchange settled from the Supercargoes at Canton) upon the same *Company*. In whatever Proportion the Adventure should fail, either in the ships not safely arriving in China or otherwise, in that Proportion the Subscribers were to content themselves with the Company's Bonds for their Money, bearing Eight per Cent Interest. A Share in this Subscription was thought exceeding desirable: For Mr. Hastings writes from Benares, where he was employed in the Manner already reported and hereafter to be observed upon, requesting that the Subscription should be left open to his Officers, who were employed in the military Operations against Cheyt Sing; and accordingly, Three Majors, Seven Captains, Twenty-three Lieutenants, the Surgeon belonging to the Detachment, and Two Civil Servants of high Rank, who attended him, were admitted to subscribe.

Bills upon Europe without Interest are always preferred to the Company's Bonds, even at the high Interest allowed in India. They are indeed so greedily sought there, and because they tend to bring an immediate and visible Distress in Leadenhall Street) so much dreaded here, that by an Act of Parliament the Company's Servants are restricted from drawing Bills beyond a certain Amount upon the Company in England.

In Bengal they have been restrained to about One Hundred and Eighty thousand Pounds annually. The Legislature, influenced more strongly with the same Apprehensions, has restrained the Directors, as the Directors have restrained their Servants; and have gone so far as to call in the Power of the Lords of the Treasury to authorize the Acceptance of any Bills beyond an Amount prescribed in the Act.

The false Principles of this unmercantile Transaction (to speak of it in the mildest Terms) were too gross not to be visible to those who contrived it. That the Company should be made to borrow such a sum as Two hundred thousand Pounds * at Eight per Cent, (or Terms deemed by the Company to be worse) in order first to buy a Commodity, represented by themselves as depreciated in its ordinary Market, in order afterwards to carry one Half of it through a circuitous Trading Voyage, depending for its ultimate Success on the prudent and fortunate Management of Two or Three Sales, and Purchases

* The whole Sum has not been actually raised; but the Deficiency is not very considerable.

chases and Re-sales of Goods, and the Chance of Two or Three Markets, with all the Risques of Sea and Enemy, was plainly no Undertaking for such a Body. The Activity, private Interest, and the sharp Eye of personal Superintendency, may now and then succeed in such Projects; but the remote Inspection and unwieldy Movements of great public Bodies can find nothing but Loss in them. Their Gains, comparatively small, ought to be upon sure Grounds; but here (as the Council states the Matter) the private Trader actually declines to deal; which is a Proof more than necessary to demonstrate the extreme Imprudence of such an Undertaking on the Company's Account. Still stronger and equally obvious Objections lay to that Member of the Project which regards the Introduction of a contraband Commodity into China, set at such a Risque of Seizure, not only of the immediate Object to be smuggled in, but of all the Company's Property in Canton, and possibly at a Hazard to the Existence of the British Factory at that Port.

It is stated indeed, that a monopolizing Company in Canton, called the Cohong, had reduced Commerce there to a deplorable State, and had rendered the gains of Private Merchants, either in Opium or any Thing else, so small and so precarious, that they were no longer able, by purchasing that Article, to furnish the Company with Money for a China Investment. For this Purpose the Person, whose Proposal is accepted, declares his Project to be, to set up a Monopoly on the Part of the Company against the Monopoly of the Chinese Merchants; but but as the Chinese Monopoly is at Home, and supported (as the Minute referred to asserts) by the Country Magistrates, it is plain it is the Chinese Company not the English, which must prescribe the Terms; particularly in a Commodity, which, if withheld from them at their Market Price, they can, whenever they please, be certain of purchasing a condemned Contraband.

There are Two farther Circumstances in this Transaction which strongly mark its Character; the First is, That this Adventure to China was not recommended to them by the Factory at Canton; it was dangerous to attempt it without their previous Advice, and an Assurance grounded on the State of the Market, and the Dispositions of the Government, that the Measure, in a Commercial Light, would be profitable, or at least safe. Neither was that Factory applied to on the State of the Bills which, upon their own Account, they might be obliged to draw upon Europe, at a Time when the Council of Bengal direct them to draw Bills to so enormous an Amount.

The Second remarkable Circumstance is, That the Board of Trade in Calcutta (the proper Administrator of all that relates to the Company's Investment) does not seem to have given its Approbation to the Project, or to have been at all consulted upon it. The Sale of Opium had been adjudged to the Board of Trade for the express Purpose of selling it in Bengal, not in China, and of employing the Produce of

such Sale in the Manufactures of the Country in which the original Commodity was produced. On the Whole it appears a mere trading Speculation of the Council, invading the Department of others, without Lights of its own, without Authority, or Information from any other Quarter. In a commercial View, it straitened the Company's Investment, to which it was destined: As a Measure of Finance, it is a Contrivance, by which a Monopoly, formed for the Increase of Revenue, instead of becoming one of its Resources, involves the Treasury, in the First Instance, in a Debt of Two hundred thousand Pounds.

If Mr. Hastings, on the Expiration of Mr. Mackenzie's Contract (the Advantages of which to the Company had been long doubtful) had put himself in a Situation to do his Duty, some immediate Loss to the Revenue would have been the worst Consequence of the alledged Depreciation: Probably it would not have been considerable. Mr. Mackenzie's Contract, which at first was for Three Years, had been only renewed for a Year. Had the same Course been pursued with Mr. Sullivan, they would have had it in their Power to adopt some Plan, which might have secured them from any Loss at all. But they pursued another Plan: They carefully put all Remedy still longer out of their Reach, by giving their Contract for Four Years. To cover all these irregularities, they interest the Settlement in their Favour, by holding out to them the most tempting of all Baits, in a Chance of Bills upon Europe.

In this Manner the Servants Abroad have conducted themselves with regard to Mr. Sullivan's Contract for Opium, and the Disposal of the Commodity. In England, the Court of Directors took it into Consideration. First as to the Contract, in a Letter dated 12th July 1782, they say, that "Having condemned the Contract entered into with Mr. Mackenzie for the Provision of Opium, they cannot but be surprised at your having concluded a new Contract for Four Years relative to that Article with Mr. Stephen Sullivan, without leaving the Decision of it to the Court of Directors."

The Sentiments of the Directors are proper, and worthy of Persons in public Trust. Their Surprise indeed, at the Disobedience to their Orders, is not perfectly natural in those, who for many Years have scarcely been obeyed in a single Instance. They probably asserted their Authority at this Time, with as much Vigour as their Condition admitted.

They proceed: "We do not mean (say they) to convey any Censure on Mr. Sullivan respecting the Transaction; but we cannot withhold our Displeasure from the Governor General and Council, at such an Instance of Contempt of our Authority." They then proceed justly to censure the Removal of the Inspection, and some other Particulars of this gross Proceeding. As to the Criminality of the Parties it is undoubtedly true, that a Breach of Duty in Servants is highly

highly aggravated by the Rank, Station, and Trust of the offending Party. But no Party in such Conspiracy to break Orders, appear to us, wholly free from Fault.

The Directors did their Duty in reprobating this Contract; but it is the Opinion of Your Committee, that farther Steps ought to be taken to enquire into the legal Validity of a Transaction, which manifestly attempts to prevent the Court of Directors from applying any Remedy to a Grievance, which has been for Years the constant Subject of Complaints.

Both Mr. Sullivan and Mr. Hastings are the Company's Servants, bound by their Covenants and their Oaths to promote the Interest of their Masters, and both equally bound to be obedient to their Orders. If the Governor General had contracted with a Stranger, not apprized of the Company's Orders, and not bound by any previous Engagement, the Contract might have been good: But whether a Contract made between Two Servants, contrary to the Orders of their common Master, and to the Prejudice of his known Interest, be a Breach of Trust on both Sides; and whether the Contract can in Equity have Force to bind the Company, whenever they shall be inclined to free themselves, and the Country they govern, from this mischievous Monopoly, Your Committee think a Subject worthy of farther Enquiry.

With regard to the Disposal of the Opium, the Directors very properly condemn the direct Contraband; but they approve the Trading Voyage. The Directors have observed nothing concerning the Loans. They probably reserved that Matter for future Consideration.

In no Affair has the Connection between Servants abroad and Persons in Power among the Proprietors of the India Company, been more discernible than in this: But if such Confederacies, cemented by such Means, are suffered to pass without due Animadversion, the Authority of Parliament must become as inefficacious as all other Authorities have proved, to restrain the Growth of Disorders either in India or in Europe.

S A L T.

THE Reports made by the Two Committees of the House, which sat in the Years 1772 and 1773, of the State and Conduct of the Inland Trade of Bengal up to that Period, have assisted the Enquiries of Your Committee, with respect to the Third and last Article of Monopoly, viz. that of Salt; and made it unnecessary for them to enter into so minute a Detail on that Subject, as they have done on some others.

Your Committee find, That the late Lord Clive constantly asserted, that the Salt Trade in Bengal had been a Monopoly Time immemorial; that

that it ever was and ever must be a Monopoly; and that Coja Wazid, and other Merchants long before him, had given to the Nabob and his Ministers, Two hundred thousand Pounds per Annum for the exclusive Privilege. The Directors, in their Letter of the 24th December, 1776, Paragraph 76, say, "that it has ever been in a great Measure an exclusive Trade."

The Secret Committee report, That under the Government of the Nabobs, the Duty on Salt made in Bengal was Two and a Half per Cent. made by Mussulmen, and Five per Cent. paid by Gentoos. On the Accession of Mir Cassim in 1760, the Claim of the Company's Servants to trade in Salt, Duty-free, was first avowed. Mr. Vansittart made an agreement with him, by which the Duties should be fixed at Nine per Cent. The Council annulled the agreement, and reduced the Duty to Two and a Half per Cent. On this, Mir Cassim ordered, that no Customs or Duties whatsoever should be collected for the future. But a Majority of the Council (22d March 1763) resolved, that the making the Exemption general was a Breach of the Company's Privileges; and that the Nabob should be positively required to recall it, and collect Duties as before from the Country Merchants, and all other Persons who had not the Protection of the Company's Duffuck. — The Directors, as the evident Reason of the Thing, and as their Duty required, disapproved highly of these Transactions, and ordered (8th February 1764) a *final and effectual Stop* to be put to the Inland Trade in Salt, and several other Articles of Commerce. But other Politics and other Interests prevailed; so that in the May following, a General Court resolved, that it should be recommended to the Court of Directors to re-consider the preceding Orders. In consequence of which, the Directors ordered the Governor and Council to form a Plan, in Concert with the Nabob, for regulating the Inland Trade.

On these last Orders Lord Clive's Plan was formed in 1765, for engrossing the sole Purchase of Salt, and dividing the Profits among the Company's senior Servants. The Directors, who had hitherto reluctantly given way to a Monopoly under any Ideas, or for any Purposes, disapproved of this Plan, and on the 17th May 1766, ordered it to be abolished; but they substituted no other in its Room. In this Manner Things continued until November 1767, when the Directors repeated their Orders for excluding all Persons whatever, excepting the Natives only, from being concerned in the Inland Trade in Salt; and they declared, that (vide Par. 90) "*such Trade is hereby abolished and put a final End to.*" — In the same Letter (Par. 92) they ordered, that the Salt Trade should be laid open to the Natives in general, subject to such a Duty as might produce One hundred and twenty thousand Pounds a Year. This Policy was adopted by the Legislature. In the Act of 1773, it was expressly provided, that it should not be lawful for any of his Majesty's Subjects, to engage, intermeddle

termeddle, or be any way concerned, directly or indirectly, in the Inland Trade in Salt, except on the India Company's Account.

Under the positive orders of the Company, the Salt Trade appears to have continued open from 1768 to 1772. The Act indeed contained an exception in Favour of the Company, and left them a Liberty of dealing in Salt upon their own Account. But still this Policy remained unchanged, and their Orders unrevoked. But in the Year 1772, without any Instruction from the Court of Directors indicating a Change of Opinion or System, the whole Produce was again monopolized, professedly for the Use of the Company, by Mr. Hastings. — Speaking of this Plan, he says: (Letter to the Directors, 22d February 1775) “ No new Hardship has been imposed upon the Salt “ Manufacturers by taking the Management of that Article into the “ Hands of Government; the only Difference is, that the Profit, “ which was before reaped by English Gentlemen and by Banians, “ is now acquired by the Company.” — In May 1766, the Directors had condemned the Monopoly *on any Condition whatsoever*. “ At that “ Time, they thought it neither consistent with their Honour nor their “ Dignity to promote such an exclusive Trade.” “ They considered “ it too as disgraceful *and below the Dignity of their present Situation,* “ to allow of such a Monopoly; and that, were they to allow it, un- “ der any Restrictions, they should consider themselves as assenting and “ subscribing to all the Mischiefs which Bengal had presented to them “ for Four Years past.”

Notwithstanding this solemn Declaration in their Letter of 24th December 1776, they approve the Plan of Mr. Hastings, and say, “ that the Monopoly *on its present Footing* can be no considerable “ Grievance to the Country,” &c.

This however was a rigorous Monopoly. The Account given of it by General Clavering, Colonel Monson, and Mr. Francis, in their Minute of 11th January 1775, in which the Situation of the Molungees, or Persons employed in the Salt Manufacture, is particularly described, is stated at length in the Appendix. Mr. Hastings himself says, “ The Power of obliging Molungees to work, has been customary from Time immemorial.”

Nothing but great and clear Advantage to Government could account for, and nothing at all perhaps could justify, the Revival of a Monopoly thus circumstanced. The Advantage proposed by its Revival, was the transferring the Profit, which was before reaped by English Gentlemen and Banians, to the Company. The Profits of the former were not problematical. It was to be seen what the Effect would be of a Scheme to transfer them to the latter, even under the management of the Projector himself. In the Revenue Consultations of September 1766, Mr. Hastings said, “ Many Causes have since combined “ to reduce this Article of Revenue *almost to nothing*. The Plan “ which I am *now* inclined to recommend for the future Management “ of

“ of the Salt Revenue, differs widely from that which I adopted under different Circumstances.”

It appears that the ill Success of his former Scheme did not deter him from recommending another. Accordingly, in July 1777, Mr. Hastings proposed, and it was resolved, That the Salt Mahls should be let, *with* the Lands, to the Farmers and Zemindars, for a Ready Money Rent, including Duties; the Salt to be left to their Disposal. After some Trial of this Method, Mr. Hastings thought fit to abandon it. In September 1780, he changed his Plan a third time, and proposed the Institution of a *Salt Office* — the Salt was to be again engrossed for the Benefit of the Company, and the Management conducted by a Number of Salt Agents.

From the preceding Facts it appears, that in this Branch of the Company's Government, little Regard has been paid to the Ease and Welfare of the Natives; and that the Directors have no where shewn greater Inconsistency than in their Orders on this Subject. — Yet Salt, considering it as a Necessary of Life, was by no Means a safe and proper Subject for so many Experiments and Innovations. For Ten Years together, the Directors reprobated the Idea of suffering this Necessary of Life to be ingrossed on *any Condition whatsoever*; and strictly prohibited all Europeans from trading in it. Yet, as soon as they were made to expect from Mr. Hastings, that the Profits of the Monopoly should be converted to their own Use, they immediately declared, that it “ could be no considerable Grievance to the Country.” and authorized its Continuance; until he himself, finding it produced little or nothing renounced it of his own Accord. Your Committee are apprehensive that this will at all Times, whatever flattering Appearance it may wear for a Time, be the Fate of any Attempt to monopolize the Salt for the Profit of Government. In the first Instance, it will raise the Price on the Consumer beyond its just Level, but that Evil will soon be corrected by Means ruinous to the Company as Monopolists, viz. by the Embezzlement of their own Salt, and by the Importation of foreign Salt, neither of which the Government of Bengal may have Power for any long Time to prevent. In the End, Government will probably be underfold, and beaten down to a losing Price. Or, if they should attempt to force all the Advantages from this Article, of which by every Exertion it may be made capable, it may distress some other Part of their Possessions in India, and destroy, or at least impair, the natural Intercourse between them. Ultimately it may hurt Bengal itself, and the Produce of its Landed Revenue, by destroying the Vent of that Grain, which it would otherwise barter for Salt.

Your Committee think it hardly necessary to observe, that the many Changes of Plan, which have taken place in the Management of the Salt Trade, are far from honourable to the Company's Government; and that, even if the Monopoly of this Article were a profitable Concern, it should not be permitted. Exclusive of the general Ef-

fect of this and of all Monopolies, the Oppressions which the Manufacturers of Salt, called *Molungees*, still suffer under it, though perhaps alleviated in some Particulars, deserve particular Attention. There is Evidence enough on the Company's Records to satisfy Your Committee, that these People have been treated with great Rigour; and not only defrauded of the due Payment of their Labour, but delivered over like Cattle in Succession to different Masters, who, under Pretence of buying up the Balances due to their preceding Employers, find Means of keeping them in perpetual Slavery. For Evils of this Nature there can be no perfect Remedy, as long as the Monopoly continues. They are in the Nature of the Thing, and cannot be cured or effectually counteracted, even by a just and vigilant Administration on the Spot. Many Objections occur to the farming of any Branch of the public Revenue in Bengal, particularly against farming the Salt Lands. But the Dilemma to which Government by this system is constantly reduced, of authorizing great Injustice, or suffering great Loss, is alone sufficient to condemn it. Either Government is expected to support the Farmer or Contractor in all his Pretensions, by an Exertion of Power which tends of Necessity to the Ruin of the Parties subjected to the Farmer's Contract, and to the Suppression of free Trade; — or, if such Assistance be refused him, he complains that he is not supported — that private Persons interfere with his Contract — that the Manufacturers desert their Labour, and that proportionate Deductions must be allowed him.

After the Result of their Examination into the general Nature and Effect of this Monopoly, it remains only for Your Committee to enquire, whether there was any valid Foundation for that Declaration of Mr. Hastings, which we conclude must have principally recommended the Monopoly of Salt to the Favour of the Court of Directors; viz. "that the Profit, which was before reaped by English Gentlemen, and by Banians, was now acquired by the Company." On the contrary, it was proved and acknowledged before the Governor-General and Council, when they enquired into this Matter in March 1775, that the Chiefs and Councils of those Districts in which there were Salt Mahls, reserved particular Salt Farms for their *own* Use, and divided the Profits, in certain stated Proportions, among themselves and their Assistants. But, unless a Detail of these Transactions, and of the Persons concerned in them, should be called for by the House, it is our Wish to avoid entering into it. On One Example only Your Committee think it just and proper to insist, stating first to the House on what Principles they have made this Selection.

In pursuing their Enquiries, Your Committee have endeavoured chiefly to keep in View the Conduct of Persons in the highest Station, particularly of those, in whom the Legislature, as well as the

Company, have placed a special Confidence; judging that the Conduct of such Persons is not only most important in itself, but most likely to influence the subordinate Ranks of the Service. Your Committee have also examined the Proceedings of the Court of Directors, on all those Instances of the Behaviour of their Servants, that seemed to deserve, and did sometimes attract, their immediate Attention. They constantly find, that the Negligence of the Court of Directors has kept Pace with, and must naturally have quickened the Growth of the Practices which they have condemned. Breach of Duty Abroad will always go Hand in Hand with Neglect of it at Home. In general, the Court of Directors, though sufficiently severe in censuring Offences, and sometimes in punishing those whom they have regarded as Offenders of a lower Rank, appear to have suffered the most conspicuous, and therefore the most dangerous, Examples of Disobedience and Misconduct in the First Department of their Service, to pass with a feeble and ineffectual Condemnation: In those Cases, which they have deemed too apparent and too strong to be disregarded even with Safety to themselves, and against which their heaviest Displeasure has been declared, it appears to Your Committee that there Interference, such as it was, had a mischievous rather than a useful Tendency. A total Neglect of Duty in this Respect, however culpable, is not to be compared, either in its Nature or in its Consequences, with the destructive Principles on which they have acted. It has been their Practice, if not System, to enquire, to censure, and not to punish. As long as the Misconduct of Persons in Power in Bengal was encouraged by nothing but the Hopes of Concealment, it may be presumed, that they felt some Restraint upon their Actions, and that they stood in some Awe of the Power placed over them. Whereas it is to be apprehended, that the late Conduct of the Court of Directors tells them in Effect, that they have nothing to fear from the Certainty of a Discovery.

On the same Principle on which Your Committee have generally limited their Researches to the Persons placed by Parliament, or raised or put in Nomination by the Court of Directors to the highest Station in Bengal; it was also their original Wish to limit those Enquiries to the Period at which Parliament interposed its Authority between the Company and their Servants, and gave a new Constitution to the Presidency of Fort William. If the Company's Servants had taken a new Date from that Period, and if from thenceforward their Conduct had corresponded with the Views of the Legislature, it is probable, that a Review of the Transactions of remoter Periods would not have been deemed necessary, and that the Remembrance of them would have been gradually effaced, and finally buried in Oblivion; But the Reports which Your Committee have already made, have shown the House, that from the Year 1772, when those Proceedings

commenced

commenced in Parliament on which the Act of the following Year was founded, Abuses of every Kind have prevailed and multiplied in Bengal to a Degree unknown in former Times, and are perfectly sufficient to account for the present Distress of the Company's Affairs both at Home and Abroad. The Affair which Your Committee now lays before the House, occupies too large a Space in the Company's Records, and is of too much Importance in every Point of View, to be passed over.

Your Committee find, That in March 1775, a Petition was presented to the Governor-General and Council, by a Person called Coja Kaworke, an Armenian Merchant resident at Dacca, (of which Division Mr. Richard Barwell had lately been Chief) setting forth in Substance, That, in November 1772, the Petitioner had farmed a certain Salt District called *Savage-poor*, and had entered into a Contract with the Committee of Circuit for providing and delivering to the India Company the Salt produced in that District: That in 1773 he farmed another called *Selimabad*, on similar Conditions: He alledges, that in February 1774, when Mr. Barwell arrived at Dacca, he charged the Petitioner with 125,500 Rupees (equal to £. 13,000) as a Contribution; and in order to levy it, did the same Year deduct 20,799 Rupees from the Amount of the *Advance Money* which was ordered to be paid to the Petitioner, on Account of the India Company, for the Provision of Salt in the Two Farms; and, after doing so, compelled the Petitioner to execute and give him Four different Bonds for 77,627 Rupees, in the Name of one *Porran Paul*, for the Remainder of such Contribution or unjust Profit.

Such were the Allegations of the Petition relative to the unjust Exaction. The harsh Means of compelling the Payment make another and very material Part: For the Petitioner asserts, That in order to recover the Amount of these Bonds, Guards were placed over him, and that Mr. Barwell, by ill Usage and Oppressions, recovered from him, at different Times, 48,656 Arcot Rupees, besides 283 Rupees extorted by the Guard;—that, after this Payment, Two of the Bonds, containing 36,313 Rupees, were restored to him, and he was again committed to the Charge of Four *Peons* (or Guards) to pay the Amount of the remaining Two Bonds. The Petition farther charges, That the said Gentleman and his People had also extorted from the Petitioner other Sums of Money, which, taken together, amount to 25,000 Rupees.

But the heaviest Grievance alledged by him is, That after the Sums of Money had been extorted on Account of the Farms, the Faith usual in such Transactions is allowed not to have been kept; but, after the Petitioner had been obliged to buy or compound for the Farms, that they were taken from him;—“ that the said Richard Barwell,

“ Esquire, about his Departure from Dacca in October 1774, for

“ Self-interest, wrested from the Petitioner the aforesaid Two Mahls
 “ or Districts, and farmed them to another Person, notwithstanding
 “ he had extorted from the Petitioner a considerable Sum of Money
 “ on Account of those Pergunnahs.”

To this Petition Your Committee find Two Accounts annexed, in which the Sums, said to be paid to, or taken by Mr. Barwell, and the respective Dates of the several Payments, are specified; and they find, that the Account of Particulars agrees with and makes up the Gross Sum charged in the Petition.

Mr. Barwell's immediate Answer to the preceding Charge is contained in Two Letters to the Board, dated 23d and 24th of March 1775. The Answer is remarkable. He asserts, that “ the Whole of
 “ Kaworke's Relation is a gross Misrepresentation of Facts;— that
 “ the simple Fact was, that, in January 1774, the Salt Mahls of
 “ Savage-poor and Selimabad became *his*, and were re-let by *him* to
 “ this Man, in the Names of Bussant Roy and Kissen Deb, on Con-
 “ dition that he should account with him (*Mr. Barwell*) for Profits
 “ to a certain Sum; and that he (*Mr. Barwell*) engaged for Savage-
 “ poor, in the *Persuasion of its being a very profitable Farm:*” And he concludes with saying, “ If I am mistaken in my Reasoning, and *the*
 “ *Wish to add to my Fortune has warped my Judgment*, in a Transaction
 “ that may appear to the Board in a Light different to what I view it
 “ in, it is past; I cannot recall it; and I rather choose to admit an
 “ Error than deny a Fact.” In his second Letter he says, “ To the
 “ honourable Court of Directors I will submit all my Rights in the
 “ Salt Contracts I engaged in; and, if in their Opinion, those Rights
 “ vest in the Company, I will account to them for the last Shilling I
 “ have received from such Contracts, my Intentions being upright;
 “ and, as I never did wish to profit myself to the Prejudice of my
 “ Employers, by their Judgment I will be implicitly directed.”

The Majority of the Board desired that Kaworke's Petition should be transmitted to England by the Ship then under Dispatch; and it was accordingly sent, with Mr. Barwell's Replies. Mr. Barwell moved, that a Committee should be appointed to take into Consideration what he had to offer on the Subject of Kaworke's Petition; and a Committee was accordingly appointed, consisting of all the Members of the Council, except the Governor-General.

The Committee opened their Proceedings with reading a Second Petition from Kaworke, containing corrected Accounts of Cash, said to be forcibly taken, and of the extraordinary and unwarrantable Profits taken or received from him by Richard Barwell, Esquire; all which are inserted at large in the Appendix. By these Accounts Mr. Barwell is charged with a Balance, or Debt, of 22,421 Rupees to Kaworke. The principal Difference between him and Mr. Barwell arises from a different Mode of stating the Accounts acknowledged to exist

exist between them. In the Account Current, signed by Mr. Barwell, he gives Kaworke Credit for the Receipt of 98,426 Rupees, and charges him with a Balance of 27,073 Rupees.

The Facts, stated or admitted by Mr. Barwell, are as follow: That the Salt Farms of Selimabad and Savage-poor were *his*, and let by him to the Two Armenian Merchants, Michael and Kaworke, on Condition of their paying him 125,000 Rupees, exclusive of their Engagements to the Company; that the Engagement was written in the Name of *Bussunt Roy and Kissen Deb Sing*: And Mr. Barwell says, that the Reason of its being "in these People's Names was because *it was not thought consistent with the public Regulations that the Names of any Europeans should appear.*"

It is remarkable, that this Policy was carried to still greater Length: Means were used to remove such an obnoxious Proceeding, as far as possible, from the public Eye; and they were such as will strongly impress the House with the Facility of Abuse, and the extreme Difficulty of Detection in every Thing which relates to the Indian Administration. For these substituted Persons were again represented by the farther Substitution of another Name, viz. *Rada Churn Dey*; whom Mr. Barwell asserts to be a real Person living at Dacca, and who stood for the Factory of Dacca; whereas the Armenian affirms, that there was no such Person as *Rada Churn*, and that it was a fictitious Name.

Mr. Barwell, in his Justification, proceeds to affirm, That Coja Kaworke never had the Management of the Salt Mahls, "but on Condition of accounting to the former Chief and to Mr. Barwell, for a specified Advantage arising from them — That Mr. Barwell determined, without he could reconcile the Interests of the Public with his own private Emoluments, that he would not engage in this Concern; and that, when he took an Interest in it, it was for specified Benefit in Money, and every Condition in the public Engagement to be answered."

Your Committee have stated the preceding Facts in the same Terms in which they are stated by Mr. Barwell. The House is to judge how far they amount to a Defence against the Charges contained in Kaworke's Petition, or to an Admission of the Truth of the principal Part of it. Mr. Barwell does not allow that Compulsion was used to extort the Money, which he received from the Petitioner, or that the latter was dispossessed of the Farms in Consequence of an Offer made to Mr. Barwell by another Person (*Ramsunder Paul*) to pay him a Lack of Rupees more for it. The Truth of these Charges has not been ascertained. They were declared by Mr. Barwell to be false; but no Attempt was made by him to invalidate or confute them, though it concerned his Reputation, and it was his Duty in the Station wherein he was placed, that Charges of such a Nature should have been disproved, at least the Accuser should have been

been pushed to the Proof of them. Nothing of this Kind appears to have been done, or even attempted.

The Transaction itself, as it stands, is clearly collusive; the Form in which it is conducted is clandestine and mysterious in an extraordinary Degree; and the acknowledged Object of it, a great illicit Profit, to be gained by an Agent and Trustee of the Company, at the Expence of his Employers, and of which he confesses he has received a considerable Part.

The Committee of the Governor-General and Council appear to have closed their Proceedings with several Resolutions, which, with the Answers given by Mr. Barwell as a Defence, are inserted in the Appendix. The Whole are referred thither together, on Account of the ample Extent of the Answer. These Papers will be found to throw considerable Light, not only on the Points in question, but on the general Administration of the Company's Revenues in Bengal. On some Passages in Mr. Barwell's Defence, or Account of his Conduct, Your Committee offer the following Remarks to the Judgment of the House.

In his Letter of the 23d March 1775, he says, That he engaged for Savage-poor in the *Persuasion of its being a very profitable Farm*. In this Place Your Committee think it proper to state the 17th Article of the Regulations of the Committee of Circuit, formed in May 1772, by the President and Council, of which Mr. Barwell was a Member, together with their own Observations thereupon.

17th. " That no Peshcar, Banyan, or other Servant, of whatever Denomination, of the Collector, or Relation or Dependant of any such Servant, be allowed to farm Lands, nor directly or indirectly to hold a Concern in any Farm, nor to be Security for any Farmer; that the Collector be strictly enjoined to prevent such Practices; and that, if it shall be discovered that any one, *under a false Name, or any Kind of Collusion*, hath found Means to evade this Order, he shall be subject to an heavy Fine, proportionate to the Amount of the Farm, and the Farm shall be re-let or made Khas: And if it shall appear that the Collector shall have countenanced, approved, or connived at a Breach of this Regulation, he shall stand *ipso facto* dismissed from his Collectorship. Neither shall any European, directly or indirectly, be permitted to rent Lands in any Part of the Country."

Remark by the Board.

17th. " If the Collector, or any Persons who partake of his Authority, are permitted to be the Farmers of the Country, no other Persons will dare to be their Competitors, of course they will obtain the Farms on their own Terms. *It is not fit that the Servants of the Company should be Dealers with their Masters.* The Collectors

" are

“ are Checks on the Farmers. If they themselves turn Farmers,
 “ what Checks can be found for *them*? What Security will the Com-
 “ pany have for their Property, or where are the Ryots to look for
 “ Relief against Oppressions?”

The Reasons assigned for the preceding Regulation seem to Your Committee to be perfectly just; but they can by no means be reconciled to those, which induced Mr. Barwell to engage in the Salt Farms of Selimabad and Savage-poor. In the first Place, his doing so is at length a direct and avowed, though at first a covert Violation of the public Regulation, to which he was himself a Party, as a Member of the Government, as well as an act of Disobedience to the Company's positive Orders on this Subject. In their General Letter of the 17th May 1766, the Court of Directors say, “ We positively order, that
 “ no Covenanted Servant, or Englishman, residing under our Protec-
 “ tion, shall be suffered to hold any Land for his own Account, di-
 “ rectly or indirectly, in his own Name or that of others, or to be
 “ concerned in any Farms or Revenues whatsoever.”

Secondly. If, instead of letting the Company's Lands or Farms to indifferent Persons, their Agent or Trustee be at Liberty to hold them himself, he will always (on Principles stated and adhered to in the Defence) have a sufficient Reason for farming them on his own Account, since he can at all Times make them as profitable as he pleases; or, if he leases them to a Third Person, yet reserves an intermediate Profit for himself, that Profit may be as great as he thinks fit, and must be necessarily made at the Company's Expence. If, at the same Time, he be Collector of the Revenues, it will be his Interest to recommend Remissions in Favour of the nominal Farmer, and he will have it in his Power to sink the Amount of his Collections.

These Principles, and the correspondent Practices, leave the India Company without any Security, that all the Leases of the Lands of Bengal may not have been disposed of, under that Administration which made the Five Years Settlement in 1772, in the same Manner, and for the same Purpose.

To enable the House to judge how far this Apprehension may be founded, it will be proper to state, that Mr. Nicholas Grueber, who preceded Barwell in the Chiefship of Dacca, in a Letter, dated 29th of April 1775, declares, that he paid to the Committee of Circuit 12,000 Rupees as their Profit on a single Salt Farm; which Sum, he says, “ I paid the Committee, at their Request, before their De-
 “ parture from Dacca, and reimbursed myself out of *the Advances*
 “ directed to be issued for the Provision of the Salt.” Thus one illicit and mischievous Transaction always leads to another, and the irregular farming of Revenue brings on the Misapplication of the Commercial Advances,

Mr. Barwell

Mr. Barwell professes himself to be sensible, "*that a Wish to add to his Fortune may possibly have warped his Judgment; and that, he rather chooses to admit an Error than deny a Fact.*" But Your Committee are of Opinion, that the extraordinary Caution, and the intricate Contrivances, with which his Share in this Transaction is wrapped up, form a sufficient Proof that he was not altogether misled in his Judgment; and though there might be some Merit in acknowledging an Error before it was discovered, there could be very little Confession produced by previous Detection.

The Reasons assigned by Mr. Barwell, in Defence of the clandestine Part of this Transaction, seem to Your Committee to be insufficient in themselves, and not very fit to be urged by a Man in his Station. In one Place he says, that "*it was not thought consistent with the public Regulations that the Names of any Europeans should appear.*" In another, he says, "I am aware of the Objection, that has been made to the English taking Farms under the Names of Natives, as prohibited by the Company's Orders; and I must deviate a little upon this. It has been generally understood that the Scope and Tendency of the Honourable Company's Prohibition of Farms to Europeans, was meant only to exclude such as could not possibly, in their own Persons, come under the Jurisdiction of the Dewanny Courts of Adawlet; because upon any Failure of Engagements, upon any Complaint of unjust Oppression, or other Cause of Discontent whatever, it was supposed an European might screen himself from the Process of the Country Judicature. But it was never supposed, that an European, of Credit and Responsibility, was absolutely incapable from holding certain Tenures, under the Sanction and Authority of the Country Laws, or from becoming Security for such Native Farmers, Contractors, &c. &c. as he might protect and employ."

Your Committee have opposed this Constrution of Mr. Barwell's to the positive Order, which the Conduct it is meant to colour, has violated. "Europeans of Credit and Responsibility," that is Europeans armed with Wealth and Power, and exercising Offices of Authority and Trust, instead of being excepted from the Spirit of the Restriction, must be supposed the Persons who are chiefly meant to be comprehended in it; for, abstract the Idea of an European from the Ideas of Power and Influence, and the Restriction is no longer rational.

Your Committee are therefore of Opinion, that the Nature of the Evil, which was meant to be prevented by the above Orders and Regulations, was not altered, or the Evil itself diminished, by the collusive Methods made use of to evade them; and that, if the Regulations were proper (as they unquestionably were) they ought to have been punctually complied with; particularly by the Members of the
Government

Government who formed the Plan, and who, as Trustees of the Company, were especially answerable for their being duly carried into Execution. Your Committee have no reason to believe, that it could ever have been generally understood, "that the Company's Prohibition of Farms to Europeans was meant only to exclude such as could not possibly, in their own Persons, come under the Jurisdiction of the Dewanny Courts; — no such Restriction is so much as hinted at. And, if it had been so understood, Mr. Barwell was one of the Persons, who, from their Rank, Station, and Influence, must have been the principal Objects of the Prohibition. Since the Establishment of the Company's Influence in Bengal, no Europeans, of any Rank whatever, have been subject to the Process of the Country Judicature; and whether they act avowedly for themselves, and take Farms in their own Name, or substitute Native Indians to act for them, the Difference is not material. The same Influence that screened an European from the Jurisdiction of the Country Courts, would have equally protected his native Agent and Representative. For many years past, the Company's Servants have presided in those Courts, and, in Comparison with *their* Authority, the native Authority is Nothing.

The earliest Instructions that appear to have been given by the Court of Directors, in Consequence of these Transactions in Bengal, are dated the 5th of February 1777. In their Letter of that Date they applaud the Proceedings of the Board, meaning the Majority (then consisting of General Clavering, Colonel Monson, and Mr. Francis) as highly meritorious, and promise them their *firmest Support*. "Some of the Cases, they say, are so flagrantly corrupt, and others attended with Circumstances so oppressive to the Inhabitants, that it would be unjust to suffer the Delinquents to go unpunished." With this Observation, their Proceedings appear to have ended, and paused for more than a year. On the 4th of March 1778, the Directors appear to have resumed the Subject. In their Letter of that Date, they instructed the Governor and Council forthwith to commence a Prosecution in the Supreme Court of Judicature against the Persons who composed the Committee of Circuit, or their Representatives, and also against Mr. Barwell, in order to recover, for the Use of the Company, the Amount of all Advantages acquired by them from their several Engagements in Salt Contracts and Farms. Adverting however to the Declaration made by Mr. Barwell, that he would account to the Court of Directors, for the last Shilling he had received, and abide implicitly by their Judgment, they thought it probable that, on being acquainted with their peremptory Orders for commencing a Prosecution, he might be desirous of paying his Share of Profits into the Company's Treasury; and they pointed out a Precaution to be used in accepting such a Tender on his Part.

On this Part of the Transaction your Committee observe, that the Court of Directors appear blameable in having delayed till February 1777, to take any Measure in Consequence of Advices so interesting and important, and on a Matter concerning which they had made so strong a Declaration; considering that, early in April 1776, they say "they had investigated the Charges, and had then come to certain Resolutions concerning them." But their delaying to send out positive Orders for commencing a Prosecution against the Parties concerned, till March 1778, cannot be accounted for. In the former Letter they promise, if they should find it necessary, to return the original Covenants of such of their Servants as had been any ways concerned in the undue Receipt of Money, in order to enable the Governor General and Council to recover the same by Suits in the Supreme Court. But Your Committee do not find that the Covenants were ever transmitted to Bengal. To whatever Cause these Instances of Neglect and Delay may be attributed, they could not fail to create an Opinion in Bengal, that the Court of Directors were not heartily intent upon the Execution of their own Orders, and to discourage those Members of Government who were disposed to undertake so invidious a Duty.

In Consequence of these Delays, even their first Orders did not arrive in Bengal until some Time after the Death of Colonel Monson, when the whole Power of the Board had devolved to Mr. Hastings and Mr. Barwell. When they sent what they call *their positive Orders* in March 1778, they had long been apprized of the Death of Colonel Monson, and must have been perfectly certain of the Effect which that Event would have on the subsequent Measures and Proceedings of the Governor General and Council. Their Opinion of the Principles of those Gentlemen appears in their Letter of the 28th of November 1777, wherein they say, "they cannot but express their Concern, that the Power of granting away their Property in Perpetuity should have devolved upon such Persons."

But the Conduct of the Court of Directors appears to be open to Objections of a Nature still more serious and important. A Recovery of the Amount of Mr. Barwell's Profits seems to be the only Purpose which they even professed to have in View. But Your Committee are of Opinion, that to preserve the Reputation and Dignity of the Government of Bengal, was a much more important Object, and ought to have been their first Consideration. The Prosecution was not the Pursuit of mean and subordinate Persons, who might with Safety to the Public Interest remain in their Seats during such an Enquiry into their Conduct. It appears very doubtful, whether, if there were Grounds for such a Prosecution, a Proceeding in Great Britain were not more politic than one in Bengal. Such a Prosecution ought not to have been ordered by the Directors, but upon Grounds that

that would have fully authorized the Recall of the Gentleman in question. This Prosecution, supposing it to have been seriously undertaken, and to have succeeded, must have tended to weaken the Government, and to degrade it in the Eyes of all India. On the other Hand, to entrust a Man, armed as he was with all the Powers of his Station, and indeed of the Government, with the Conduct of a Prosecution against himself, was altogether inconsistent and absurd. The same Letter in which they give these Orders exhibits an Example which sets the Inconsistency of their Conduct in a stronger Light; because the Case is somewhat of a similar Nature, but infinitely less pressing in its Circumstances. Observing that the Board of Trade had commenced a Prosecution against Mr. William Barton, a Member of that Board, for various Acts of Peculation committed by him, they say, "We must be of Opinion, that, as Prosecutions are actually carrying on against him by our Board of Trade, he is, during such Prosecution at least, an improper Person to hold a Seat at that Board; and therefore we direct that he be suspended from the Company's Service until our farther pleasure concerning him be known." The Principle laid down in this Instruction, even before their own Opinion concerning Mr. Barton's Case was declared, and merely on the Prosecution of others, serves to render their Conduct not very accountable in the Case of Mr. Barwell. Mr. Barton was in a subordinate Situation, and his remaining or not remaining in it was of little or no Moment to the Prosecution. Mr. Barton was but One of Seven; whereas Mr. Barwell was One of Four, and, with the Governor General, was in effect the Supreme Council.

In the present State of Power and Patronage in India, and during the Relations which are permitted to subsist between the Judges, the prosecuting Officers, and the Council General, Your Committee is very doubtful, whether the Mode of prosecuting the highest Members in the Bengal Government, before a Court at Calcutta, could have been, almost in any Case, adviseable.

It is possible, that particular Persons, in high judicial and political Situations, may, by Force of an unusual Strain of Virtue, be placed far above the Influence of those Circumstances, which in ordinary Cases are known to make an Impression on the human Mind. But Your Committee, sensible that Laws and public Proceedings ought to be made for general Situations, and not for personal Dispositions, are not inclined to have any Confidence in the Effect of criminal Proceedings, where no Means are provided for preventing a mutual Connection, by Dependencies, Agencies, and Employments, between the Parties who are to prosecute and to judge, and those who are to be prosecuted and to be tried.

Your Committee in a former Report have stated the Consequences which they apprehended from the Dependency of the Judges on the

Governor General and Council of Bengal; and the House has entered into their Ideas upon this Subject. Since that Time it appears that Sir ENJAH Impey has accepted of the Guardianship of Mr. Barwell's Children, and was the Trustee for his Affairs. There is no Law to prevent this Sort of Connection; and it is possible that it might not at all affect the Mind of that Judge, or (upon his Account) indirectly Influence the Conduct of his Brethren; but it must forcibly affect the Minds of those who have Matter of Complaint against Government, and whose Cause the Court of Directors appear to espouse, in a Country where the Authority of the Court of Directors has seldom been exerted, but to be despised; where the Operation of Laws is but very imperfectly understood, but where men are acute, sagacious, and even suspicious of the Effect of all personal Connections. Their Suspicions, though perhaps not rightly applied to every Individual, will induce them to take Indications from the Situations and Connections of the prosecuting Parties, as well as of the Judges. It cannot fail to be observed, that Mr. Naylor, the Company's Attorney, lived in Mr. Barwell's House; the late Mr. Bogle, the Company's Commissioner of Law Suits, owed his Place to the Patronage of Mr. Hastings and Mr. Barwell, by whom the Office was created for him; and Sir John Day, the Company's Advocate, who arrived in Bengal in February 1779, had not been Four Months in Calcutta, when Mr. Hastings, Mr. Barwell, and Sir Eyre Coote, doubled his Salary, contrary to the Opinion of Mr. Francis and Mr. Wheler.

If the Directors are known to devolve the whole Cognizance of the Offences charged on their Servants so highly situated upon the Supreme Court, an Excuse will be furnished, if already it has not been furnished, to the Directors, for declining the Use of their own proper political Power and Authority, in examining into and animadverting on the Conduct of their Servants. Their true Character as strict Masters and vigilant Governors will merge in that of Prosecutors. Their Force and Energy will evaporate in tedious and intricate Processes; in Law Suits which can never end, and which are to be carried on by the very Dependants of those who are under Prosecution. On their Part, these Servants will decline giving Satisfaction to their Masters, because they are already before another Tribunal; and thus, by shifting Responsibility from Hand to Hand, a Confederacy to defeat the whole Spirit of the Law, and to remove all Restraints on their Actions, may be in Time formed between the Directors, Prosecutors, and Court. Of this great Danger Your Committee will take farther Notice in another Place.

No Notice whatever appears to have been taken of the Company's Orders in Bengal till the 11th of January 1779, when Mr. Barwell moved, that the Claims made upon him by the Court of Directors should be submitted to the Company's Lawyers, and that they should be perfectly instructed

ted to prosecute upon it. In his Minute of that Date, he says, "*that the State of his Health had long since rendered it necessary for him to re- turn to Europe.*"

Your Committee observe, that he continued in Bengal another Year. He says, "*that he had hitherto waited for the Arrival of Sir John Day, the Company's Advocate; but, as the Season was now far advanced, he wished to bring the Trial speedily to issue.*"

In this Minute he retracts his original Engagement to submit himself to the Judgment of the Court of Directors, "*and to account to them for the last Shilling he had received.*" He says, "*that no Merit had been given him for the Offer; that a most unjustifiable Advantage had been attempted to be made of it, by first declining it and descending to Abuse, and then giving Orders upon it, as if it had been rejected, when called upon by him in the Person of his Agent, to bring home the Charge of Delinquency.*"

Mr. Barwell's Reflections on the Proceedings of the Court of Directors are not altogether clearly expressed; nor does it appear distinctly to what Facts he alludes. He asserts, that a most unjustifiable Advantage had been attempted to be made of his Offer. The Fact is, the Court of Directors have nowhere declined accepting it; on the contrary, they caution the Governor General and Council about the Manner of receiving the Tender of the Money, which they expect him to make. They say nothing of any Call made on them by Mr. Barwell's Agent in England; nor does it appear to Your Committee that they "*have descended to Abuse.*" They have a Right, and it is their Duty, to express in distinct and appropriated Terms their Sense of all blameable Conduct in their Servants.

So far, as may be collected from the Evidence of the Company's Records, Mr. Barwell's Assertions do not appear well supported; but even if they were more plausible, Your Committee apprehend, that he could not be discharged from his solemn recorded Promise, to abide by the Judgment of the Court of Directors. Their Judgment was declared by their Resolution to prosecute, which it depended upon himself to satisfy, by making good his Engagement. To excuse his not complying with the Company's Claims, he says, "*that his Compliance would be urged as a Confession of Delinquency, and to proceed from Conviction of his having usurped on the Rights of the Company.*" Considerations of this Nature might properly have induced Mr. Barwell to stand upon his Right in the first Instance, "*and to appeal (to use his own Words) to the Laws of his Country, in order to vindicate his Fame.*" But his Performance could not have more Weight to infer Delinquency, than his Promise. Your Committee think his Observation comes too late.

If he had stood a Trial when he first acknowledged the Facts, and submitted himself to the Judgment of the Court of Directors, the
Suit

Suit would have been carried on under the Direction of General Clavering, Colonel Monson, and Mr. Francis; whereas in the Year 1779, his Influence at the Board gave him the Conduct of it himself. In an Interval of Four Years, it may be presumed that great Alterations might have happened in the State of the Evidence against him.

In the subsequent Proceedings of the Governor General and Council, the House will find, that Mr. Barwell complained that his Instances for carrying on the Prosecution was ineffectual, owing to the legal Difficulties and Delays *urged by the Company's Law Officers*; which Your Committee do not find have yet been removed. As far as the last Advices reach, no Progress appears to have been made in the business. In July 1782, the Court of Directors found it necessary to order an Account of all Suits against Europeans, depending in the Supreme Court of Judicature, to be transmitted to them, and that no Time should be lost in bringing them to a Determination.

S A L T P E T R E.

THE next Article of direct Monopoly, subservient to the Company's Export of Saltpetre. This, as well as Opium, is far the greater Part the Produce of the Province of Bahar. The Difference between the Management and Destination of the Two Articles has been this: Until the Year 1782, the Opium has been sold in the Country, and the Produce of the Sale laid out in Country Merchandize for the Company's Export. A great Part of the Saltpetre is sent out in Kind, and never has contributed to the interior Circulation and Commerce of Bengal. It is managed by Agency on the Company's Account. The Price paid to the Manufacturer is invariable. Some of the larger Undertakers receive Advances to enable them to prosecute their Work; but as they are not always equally careful or fortunate, it happens that large balances accumulate against them. Orders have been sent from Calcutta, from Time to Time, to recover their Balances, with little or no Success; but with great Vexation to all concerned in this Manufacture. Sometimes they have imprisoned the failing Contractors in their own Houses; a Severity which answers no useful Purpose. Such Persons are so many Hands detached from the Improvement, and added to the Burthen of the Country. They are Persons of Skill drawn from the future Supply of that Monopoly, in favour of which they are prosecuted. In case of the Death of the Debtor, this rigorous Demand falls upon the ruined Houses of Widows and Orphans, and may be easily converted into a Means, either of cruel Oppression, or a mercenary indulgence, according to the Temper of the Exactors.

Instead of thus having Recourse to Imprisonment, the old Balance is sometimes deducted from the current Produce. This in these Circumstances, is a grievous Discouragement. People must be discouraged from entering into a Business, when the Commodity being fixed to one invariable Standard, and confined to one Market, the best Success can be attended only with a limited Advantage, whilst a defective Produce can never be compensated by an augmented Price. Accordingly very little of these Advances has been recovered; and after much Vexation the Pursuit has generally been abandoned. It is plain that there can be no Life and Vigour in any Business under a Monopoly so constituted; nor can the true productive Resources of the Country, in so large an Article of its Commerce, ever come to be fully known.

The Supply for the Company's Demand in England has rarely fallen short of Two thousand Tons, nor much exceeded Two thousand Five hundred. A discretionary Allowance of this Commodity has been made to the French, Dutch, and Danes, who purchase their allotted Shares at some small Advance on the Company's Price. The Supply destined for the London Market is proportioned to the spare Tonnage; and, to accommodate that Tonnage, the Saltpetre is sometimes sent to Madras, and sometimes even to Bombay; and that not unfrequently in Vessels expressly employed for the Purpose.

Mr. Law, Chief of Patna, being examined on the Effect of that Monopoly, delivered his Opinion, That with regard to the Company's Trade, the Monopoly was advantageous; but as Sovereign of the Country they must be Losers by it: These two Capacities in the Company are found in perpetual Contradiction. But much Doubt may arise, whether this Monopoly will be found advantageous to the Company, either in the one Capacity or the other. The gross Commodity, monopolized for sale in London, is procured from the Revenues in Bengal; the Certain is given for the Hazardous. The Loss of Interest on the advances, sometimes the Loss of the Principal; the Expence of Carriage from Patna to Calcutta; the various Loadings and Unloadings, and Insurance (which though borne by the Company is still Insurance); the Engagement for the Ordnance, limited in Price, and irregular in Payment; the Charge of Agency, and Management through all its Gradations and Successions; when all these are taken into Consideration, it may be found that the Gain of the Company as Traders will be far from compensating their Loss as Sovereigns. A Body like the East India Company can scarcely, in any Circumstance, hope to carry on the Details of such a Business, from its Commencement to its Conclusion, with any Degree of Success. In the subjoined Estimate of Profit and Loss, the Value of the Commodity is stated at its Invoice Price at Calcutta. But this affords no just Estimate of the whole Effect of a Dealing where the Company's Charge commences

mences in the first Rudiments of the Manufacture, and not at the Purchase at the Place of Sale and Valuation; for they may be heavy Losses on the Value at which the Saltpetre is estimated when shipped off on their Account, without any Appearance in the Account; and the Enquiries of your Committee, to find the Charges on the Saltpetre previous to the shipping, have been fruitless.

BRITISH GOVERNMENT IN INDIA.

THE other Link, by which India is bound to Great Britain, is the Government established there originally by the Authority of the East India Company, and afterwards modified by Parliament by the Acts of 1773 and 1780. This System of Government appears to Your Committee to be at least as much disordered, and as much perverted from every good Purpose, for which lawful Rule is established, as the trading System has been from every just Principle of Commerce. Your Committee, in tracing the Causes of this Disorder through its Effects, have first considered the Government as it is constituted and managed within itself, beginning with its most essential and fundamental Part, the Order and Discipline by which the supreme Authority of this Kingdom is maintained.

The British Government in India, being a subordinate and delegated Power, it ought to be considered as a fundamental Principle in such a System, that it is to be preserved in the strictest Obedience to the Government at Home. Administration in India, at an immense Distance from the Seat of the Supreme Authority, entrusted with the most extensive Powers, liable to the greatest Temptations, possessing the amplest Means of Abuse, ruling over a People guarded by no distinct, or well-ascertained Privileges, whose Language, Manners, and radical Prejudices, render not only Redress, but all Complaint on their Part, a Matter of extreme Difficulty. Such an Administration, it is evident, never can be made subservient to the Interests of Great Britain, nor even tolerable to the Natives, but by the strictest Rigour in exacting Obedience to the Commands of the Authority lawfully set over it.

But Your Committee find, That this Principle has been for some Years very little attended to. Before the passing the Act of 1773, the professed Purpose of which was to secure a better Subordination in the Company's Servants, such was the Firmness with which the Court of Directors maintained their Authority, that they displaced Governor Cartier, confessedly a meritorious Servant, for Disobedience of Orders; although his Case was not a great deal more than a Question by whom the Orders were to be obeyed. Yet the Directors were so sensible of the Necessity of a punctual and literal Obedience, that, conceiving

conceiving their Orders went to the Parties who were to obey, as well as to the Act to be done, they proceeded with a Strictness, that in all Cases, except that of their peculiar Government, might well be considered as rigorous. But in Proportion as the Necessity of enforcing Obedience grew stronger and more urgent, and in Proportion to the Magnitude and Importance of the Objects affected by Disobedience, this Rigour has been relaxed. Acts of Disobedience have not only grown frequent, but systematic; and they have appeared in such Instances, and are manifested in such a Manner, as to amount, in the Company's Servants, to little less than absolute Independence; against which, on the Part of the Directors, there is no Struggle, and hardly so much as a Protest to preserve a Claim.

Before Your Committee proceed to offer to the House their Remarks on the most distinguished of these Instances, the Particulars of which they have already reported, they deem it necessary to enter into some Detail of a Transaction equally extraordinary and important, though not yet brought into the View of Parliament, which appears to have laid the Foundation of the principal Abuses that ensued, as well as to have given Strength and Encouragement to those that existed. To this Transaction, and to the Conclusions naturally deducible from it, Your Committee attribute that general Spirit of Disobedience and Independence, which has since prevailed in the Government of Bengal.

Your Committee find, that in the Year 1775, Mr. Lauchlan Maclean was sent into England as Agent to the Nobob of Arcot and to Mr. Hastings.—The Conduct of Mr. Hastings, in assisting to extirpate, for a Sum of Money to be paid to the Company, the innocent Nation of the Rohillas, had drawn upon him the Censure of the Court of Directors, and the unanimous Censure of the Court of Proprietors. The former had even resolved to prepare an Application to His Majesty for Mr. Hastings's Dismission.

Another General Court was called on this Proceeding. Mr. Hastings was then openly supported by a Majority of the Court of Proprietors, who professed to entertain a good Opinion of his general Ability and Rectitude of Intention, notwithstanding the unanimous Censure passed upon him. In that Censure they therefore seemed disposed to acquiesce, without pushing the Matter farther. But, as the Offence was far from trifling, and the Condemnation of the Measure recent, they did not directly attack the Resolution of the Directors to apply to His Majesty, but voted in the Ballot, That it should be reconsidered. The Business therefore remained in Suspence, or it rather seemed to be dropped, for some Months, when Mr. Maclean took a Step, of a Nature not in the least to be expected from the Condition in which the Cause of his Principal stood, which was apparently as favourable as the Circumstances could bear. Hitherto the Sup-

port of Mr. Hastings in the General Court was only by a Majority ; but if, on Application from the Directors, he should be removed, a mere Majority would not have been sufficient for his Restoration. The Door would have been barred against his Return to the Company's Service, by one of the strongest and most substantial Clauses in the Regulating Act of 1773. Mr. Maclean, probably to prevent the manifest ill Consequences of such a Step, came forward with a Letter to the Court of Directors, declaring his Provisional Powers, and offering on the Part of Mr. Hastings an immediate Resignation of his Office.

On this Occasion the Directors shewed themselves extremely punctilious with regard to Mr. Maclean's Powers. They probably dreaded the Charge of becoming Accomplices to an Evasion of the Act, by which Mr. Hastings, resigning the Service, would escape the Consequences attached by Law to a Dismissal ; they therefore demanded Mr. Maclean's written Authority. This he declared he could not give into their Hands, as the Letter contained other Matters, of a Nature extremely confidential ; but that if they would appoint a Committee of the Directors, he would readily communicate to them the necessary Parts of the Letter, and give them perfect Satisfaction with regard to his Authority. A Deputation was accordingly named ; who reported that they had seen Mr. Hastings's Instructions, contained in a Paper in *his own Hand-writing*, and that the Authority for the Act now done by Mr. Maclean was clear and sufficient. Mr. Vansittart, a very particular Friend of Mr. Hastings, and Mr. John Stewart, this most attached and confidential Dependant, attended on this Occasion, and proved, That Directions, perfectly correspondent to this written Authority, had been given by Mr. Hastings in their Presence. By this Means, the Powers were fully authenticated ; but the Letter remained safe in Mr. Maclean's Hands.

Nothing being now wanting to the Satisfaction of the Directors, the Resignation was formally accepted. Mr. Wheeler was named to fill the Vacancy, and presented for His Majesty's Approbation, which was received. The Act was compleat, and the Office that Mr. Hastings had resigned, was legally filled. This Proceeding was officially notified in Bengal, and General Clavering, as Senior in Council, was in course to succeed to the Office of Governor General.

Mr. Hastings, to extricate himself from the Difficulties into which this Resignation had brought him, had Recourse to one of those unlooked-for and hardy Measures, which characterize the Whole of his Administration. He came to a Resolution of disowning his Agent, denying his Letter, and disavowing his Friends. He insisted on continuing in the Execution of his Office, and supported himself by such Reasons as could be furnished in such a Cause. An open

Schism instantly divided the Council. General Clavering claimed the Office to which he ought to succeed; and Mr. Francis adhered to him; Mr. Barwell stuck to Mr. Hastings. The Two Parties assembled separately, and every Thing was running fast into a Confusion, which suspended Government, and might very probably have ended in a Civil War, had not the Judges of the Supreme Court, on a Reference to them, settled the Controversy, by deciding that the Resignation was an invalid Act, and that Mr. Hastings was still in the legal Possession of his Place, which had been actually filled up in England. It was extraordinary, that the Nullity of this Resignation should not have been discovered in England; where the Act authorizing the Resignation then was; where the Agent was personally present; where the Witnesses were examined; and where there was and could be no Want of legal Advice, either on the Part of the Company or of the Crown. The Judges took no light Matter upon them in superceding, and thereby condemning, the Legality of His Majesty's Appointment, for such it became by the Royal Approbation.

On this Determination, such as it was, the Division in the Meeting, but not in the Minds of the Council, ceased. General Clavering uniformly opposed the Conduct of Mr. Hastings to the End of his Life. But Mr. Hastings shewed more Temper under much greater Provocations. In disclaiming his Agent, and in Effect accusing him of an Imposture the most deeply injurious to his Character and Fortune; and of the grossest Forgery to support it; he was so very mild and indulgent, as not to shew any active Resentment against his unfaithful Agent, nor to complain to the Court of Directors. It was expected in Bengal, that some strong Measures would have immediately been taken to preserve the just Rights of the King and of the Court of Directors; as this Proceeding unaccompanied with the severest Animadversion, manifestly struck a decisive Blow at the Existence of the most essential Powers of both. But Your Committee do not find that any Measures whatever, such as the Case seemed to demand, were taken. The Observations made by the Court of Directors, on what they call "*these extraordinary Transactions,*" are just and well applied. They conclude with a Declaration, "*that the Measures which it might be necessary for them to take, in order to retrieve the Honour of the Company, and to prevent the like Abuse from being practised in future, should have their most serious and earliest Consideration;*" and with this Declaration they appear to have closed the Account, and to have dismissed the Subject for ever.

A Sanction was hereby given to all future Defiance of every Authority in this Kingdom. Several other Matters of Complaint against Mr. Hastings, particularly the Charge of Peculation, fell to the Ground at the same Time. Opinions of Counsel had been taken,

relative to a Prosecution at Law upon this Charge, from the then Attorney and the then Solicitor General and Mr. Dunning [now the Lords Thurlow, Loughborough, and Ashburton] together with Mr. Adair [now Recorder of London.] None of them gave a positive Opinion against the Grounds of the Prosecution. The Attorney General doubted on the *Prudence* of the Proceedings, and censured (as it well deserved) the ill Statement of the Case. Three of them, Mr. Wedderburn, Mr. Dunning, and Mr. Adair, were clear in Favour of the Prosecution. No Prosecution however was had, and the Directors contented themselves with censuring and admonishing Mr. Hastings.

With regard to the Supreme Council, the Members who chose (for it was Choice only) to attend to the Orders which were issued from the languishing Authority of the Directors, continued to receive unprofitable Applauses and no Support. Their Correspondence was always filled with Complaints, the Justice of which was always admitted by the Court of Directors; but this Admission of the Existence of the Evil, shewed only the Impotence of those who were to administer the Remedy. The Authority of the Court of Directors, resisted with Success in so capital an Instance as that of the Resignation, was not likely to be respected in any other. What Influence it really had on the Conduct of the Company's Servants, may be collected from the Facts that followed it.

The Disobedience of Mr. Hastings has of late not only become uniform and systematical in Practice, but has been in Principle also supported by him and by Mr. Barwell, late a Member of the Supreme Council in Bengal, and now a Member of this House.

In the Consultation of the 20th of July 1778, Mr. Barwell gives it as his solemn and deliberate Opinion, that "while Mr. Hastings is in the Government, the Respect and Dignity of his Station should be supported. In these Sentiments I must decline an Acquiescence in any Order which has a *Tendency* to bring the Government into Disrepute. As the Company have the Means and Power of forming their own Administration in India, they may at Pleasure place whom they please at the Head; but in my Opinion they are not authorized to treat a Person in that Post with *Indignity*."

By treating them with Indignity (in the particular Cases wherein they have declined Obedience to Orders) they must mean those Orders which imply a Censure on any Part of their Conduct, a Reversal of any of their Proceedings, or, as Mr. Barwell expresses himself in Words very significant, in any Orders that have a *Tendency* to bring *their* Government into *Disrepute*. The Amplitude of this latter Description reserving to them the Judgment of any Orders which have so much as that *Tendency*, puts them in Possession of a complete Independence, an Independence, including a despotic Authority over the Subordinates

Subordinates and the Country. The very Means taken by the Directors for enforcing their Authority becomes, on this Principle, a Cause of farther Disobedience. It is observable, that the Principles of Disobedience do not refer to any local Consideration overlooked by the Directors, which might supersede their Orders, or to any Change of Circumstances which might render another Course adviseable, or even perhaps necessary; but it relates solely to their own interior Feelings in Matters relative to themselves, and their Opinion of their own Dignity and Reputation. It is plain, that they have wholly forgotten who they are, and what the Nature of their Office is. Mr. Hastings and Mr. Barwell are Servants of the Company; and as such, by the Duty inherent in that Relation, as well as by their special Covenants, were obliged to yield Obedience to the Orders of their Masters. They have, as far as they were able, cancelled all the Bonds of this Relation, and all the Sanctions of these Covenants.

But in thus throwing off the Authority of the Court of Directors, Mr. Hastings and Mr. Barwell have thrown off the Authority of the whole Legislative Power of Great Britain: For by the Regulating Act of the Thirteenth of His Majesty, they are expressly "directed" and required to pay due Obedience to *all* such Orders as they shall "receive from the Court of Directors of the said United Company." Such is the Declaration of the Law. But Mr. Barwell declares, that he declines Obedience to *any* Orders which he shall interpret to be Indignities on a Governor General. To the clear Injunctions of the Legislature, Mr. Hastings and Mr. Barwell have thought proper to oppose their pretended Reputation and Dignity; as if the chief Honour of public Ministers in every situation, was not to yield a cheerful Obedience to the Laws of their Country. Your Committee, to render evident to this House the general Nature and Tendency of this pretended Dignity, and to illustrate the real Principles upon which they appear to have acted, think it necessary to make Observations on Three or Four of the Cases already reported, of marked Disobedience to particular and special Orders; on one of which, the above extraordinary Doctrine was maintained.

These are the Cases of Mr. Fowke, Mr. Bristow, and Mahomed Reza Khan. In a few Weeks after the Death of Colonel Monson, Mr. Hastings having obtained a Majority in Council by his casting Vote, Mr. Fowke and Mr. Bristow were called from their respective Offices of Residents at Benares and Oude; Places which have become the Scenes of other extraordinary Operations under the Conduct of Mr. Hastings in Person. For the Recall of Mr. Bristow, no Reason was assigned. The Reason assigned for the Proceeding with regard to Mr. Fowke was, that "the Purposes, for which he was appointed, were then fully accomplished."

An Account of the Removal of Mr. Fowke was communicated to
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the Court of Directors, in a Letter of the 22d of December 1776. On this Notification, the Court had nothing to conclude, but that Mr. Hastings, from a rigid Pursuit of Oeconomy in the Management of the Company's Affairs, had recalled a useless Officer. But without alledging any Variation whatsoever in the Circumstances, in less than Twenty Days after the Order for the Recall of Mr. Fowke, and the *very Day after the Dispatch*, containing an Account of the Transaction, Mr. Hastings recommended Mr. Graham to this very Office; the End of which, he declared to the Directors but the Day before, had been fully accomplished. And not thinking this sufficient, he appointed Mr. D. Barwell as his Assistant at a Salary of about Four hundred Pounds a Year. Against this extraordinary Act, General Clavering and Mr. Francis entered a Protest.

So early as the 6th of the following January the Appointment of these Gentlemen was communicated in a Letter to the Court of Directors, without any Sort of Colour, Apology, or Explanation. That Court found a Servant removed from his Station without Complaint, contrary to the Tenor of one of their Standing Injunctions. They allow however, and with Reason, that "if it were possible to suppose that a Saving, &c. had been his Motive, they would have approved his Proceeding. But that when, immediately afterwards, Two Persons with *Two* Salaries had been appointed to execute the Office which had been filled with Reputation by Mr. Fowke alone; and that Mr. Graham enjoys all the Emoluments annexed to the Office of Mr. Fowke;"—they properly conclude, that Mr. Fowke was removed without just Cause, to make Way for Mr. Graham; and strictly enjoin, that the former be reinstated in his Office of Resident as Postmaster of Benares. In the same Letter, they assert their Rights in a Tone of becoming Firmness, and declare, that "on no Account we can permit our Orders to be disobeyed, or our Authority disregarded."

It was now to be seen, which of the Parties was to give way. The Orders were clear and precise, and enforced by a strong Declaration of the Resolution of the Court to make itself obeyed. Mr. Hastings fairly joined Issue upon this Point with his Masters; and having disobeyed the general Instructions of the Company, determined to pay no Obedience to their special Order.

On the 21st July, 1778, he moved, and succeeded in his Proposition, that the Execution of these Orders should be suspended. The Reason he assigned for this Suspension lies in great Light upon the true Character of all these Proceedings, "that his Consent to the Recall of Mr. Graham would be adequate to his own Resignation of the Service, as it would inflict such a Wound on *his Authority and Influence*, that he could not maintain it."

If that had been his Opinion, he ought to have resigned, and not disobeyed;

disobeyed; because it was not necessary that he should hold his Office; but it was necessary, that whilst he held it, he should obey his Superiors and submit to the Law. Much more truly was his Conduct a virtual Resignation of his lawful Office, and at the same Time an Usurpation of a Situation which did not belong to him, to hold a subordinate Office, and to refuse to act according to its Duties. Had his Authority been self-originated, it would have been wounded by his submission: But in this Case, the true Nature of his Authority was affirmed, not injured, by his Obedience, because it was a Power derived from others, and by its Essence, to be executed according to their Directions.

In this determined Disobedience he was supported by Mr. Barwell, who on that Occasion delivered the dangerous Doctrine to which your Committee have lately adverted. Mr. Fowke, who had a most material Interest in this Determination, applied by Letter to be informed concerning it. An Answer was sent, acquainting him coldly, and without any Reason assigned, of what had been resolved relative to his Office. This Communication was soon followed by another Letter from Mr. Fowke, with great Submission and remarkable Decency, asserting his Right to his Office under the Authority of the Court of Directors; and for solid Reasons, grounded on the Company's express Orders, praying to be informed of the Charge against him. This Letter appears to have been received by Mr. Hastings and Mr. Barwell very loftily. Mr. Hastings said, "That such Applications were irregular; that they are not accountable to Mr. Fowke for their Resolution respecting him. The Reasons for suspending the Execution of the Orders of the Court of Directors, contain *no Charge nor the slightest Imputation of a Charge* against Mr. Fowke; but I see *no Reason why the Board should condescend to tell him so.*" Accordingly, the Proposition of Mr. Francis and Mr. Wheler, to inform Mr. Fowke "that they had no Reason to be dissatisfied with his Conduct," on the previous Question was rejected.

By this Resolution, Mr. Hastings and Mr. Barwell discovered another Principle, and no less dangerous than the first; namely, that Persons deriving a valuable Interest under the Company's Orders, so far from being heard in Favour of their Right, are not so much as to be informed of the Grounds on which they are deprived of it.

The Arrival soon after of Sir Eyre Coote giving another opportunity of Trial, the Question for Obedience to the Company's Orders was again brought on by Mr. Francis, and again received a Negative. Sir Eyre Coote, though present, and declaring that had he been at the original Consultation he should have voted for the immediate Execution of the Company's Orders, yet he was resolved to avoid what he called *any kind of Retrospect*. His Neutrality gained the Question in favour of this, the Third Resolution for Disobedience to Orders.

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The Resolution in Bengal being thus decisively taken, it came to the Turn of the Court of Directors to act their Part. They did act their Part exactly in their old Manner; they had Recourse to their old Remedy of repeating Orders which had been disobeyed. The Directors declare to Mr. Hastings and Mr. Barwell (though without any apparent Reason) that "they have read *with Astonishment* their *formal Resolution* to suspend the Execution of their Orders; that "they shall take such Measures as appear necessary for *preserving the Authority of the Court of Directors*, and for preventing such *Instances of direct and wilful Disobedience* in their Servants in Time to come." They then renew their Directions concerning Mr. Fowke. The Event of this *sole* Measure, taken to preserve their Authority, and to prevent Instances of direct and wilful Disobedience, Your Committee will state in its proper Place, taking into Consideration for the present the Proceeding relative to Mr. Bristow, and to Mahomed Reza Khân, which were altogether in the same Spirit. But as they were diversified in the Circumstances of Disobedience, as well from the Case of Mr. Fowke as from one another; and as these Circumstances tend to discover other dangerous Principles of Abuse, and the general prostrate Condition of the Authority of Parliament in Bengal, Your Committee proceed first to make some Observations upon them.

The Province of Oude, enlarged by the Accession of several extensive and once flourishing Territories, that is by the Country of the Rohillas, the District of Corah and Allahabad, and other Provinces betwixt the Ganges and Jumna, is under the nominal Dominion of one of the Princes of the Country, called Asoph ul Dowlah. But a Body of English Troops is kept up in his Country, and the greatest Part of his Revenues are, by one Description or another, substantially under the Administration of English Subjects. He is, to all Purposes, a dependent Prince. The Person to be employed in his Dominions to act for the Committee, was therefore of little Consequence in his Capacity of Negotiator; but he was vested with a Trust, great and critical in all pecuniary Affairs. These Provinces of Dependence lie out of the System of the Company's ordinary Administration; and Transactions there cannot be so readily brought under the Cognizance of the Court of Directors. This renders it the more necessary that the Residents in such Places should be Persons not disapproved of by the Court of Directors. They are to manage a permanent Interest, which is not, like a Matter of political Negotiation, variable, and which from Circumstances might possibly excuse some Degree of discretionary Latitude in construing their Orders. During the Life-time of General Clavering and Colonel Monson, Mr. Bristow was appointed to this Presidency, and that Appointment, being approved and confirmed by the Court of Directors, became in effect their own. Mr. Bristow appears to have shewn himself a Man of Talents

Talents and Activity. He had been principally concerned in the Negotiations by which the Company's Interest in the higher Provinces had been established; and those Services were considered by the Presidency of Calcutta as so meritorious, that they voted him Ten thousand Pounds as a Reward, with many Expressions of Esteem and Honour.

Mr. Bristow however was recalled by Mr. Hastings and Mr. Barwell, who had then acquired the Majority, without any Complaint having been assigned as the Cause of his Removal, and Mr. Middleton was sent in his Stead to reside at the Capital of Oude. The Court of Directors, as soon as they could be apprized of this extraordinary Step, in their Letter of the 4th of July 1777, express their strongest Disapprobation of it; they order Mr. Middleton to be recalled, and Mr. Bristow to be reinstated in his Office. In December 1778, they repeat their Order. Of these repeated Orders no Notice was taken. Mr. Bristow, fatigued with unsuccessful private Applications, which met with a constant Refusal, did at length, on the 1st of May 1780, address a Letter to the Board, making his Claim of Right; entitling himself to his Offices, under the Authority of the Court of Directors; and complaining of the Hardships which he suffered by the Delay in admitting him to the Exercise of it. This Letter Your Committee have inserted at large in the Fifth Report, having found nothing whatsoever exceptionable in it, although it seems to have excited the warmest Resentment in Mr. Hastings.

This Claim of the Parry gave no new Force to the Order of the Directors, which remained without any Attention from the Board, from Mr. Bristow's Arrival until the 1st of May, and with as little from the 1st of May to the 2d of October following. On that Day Mr. Francis, after having caused the repeated Orders of the Court of Directors to be first read, moved, that Mr. Bristow should be reinstated in his Office. This Motion, in itself just and proper in the highest Degree, and in which no Fault could be found, but that it was not made more early, was received by Mr. Hastings with the greatest Marks of Resentment and Indignation. He declares in his Minute, That "were the most determined Adversary of the British Nation to possess, by whatever Means, a Share in the Administration, he could not devise a Measure in *itself* so pernicious, or *time* it so effectually for the *Ruin* of the British Interests in India." Then turning to the Object of the Motion, he says, "I will ask who is Mr. Bristow? that a Member of the Administration should, at such a Time, hold him forth as an *Instrument for the Degradation of the first executive Member of this Government*. What are the professed Objects of his Appointment; What are the *Merits* and Services, or what the *Qualifications*, which entitle him to such uncommon Distinction? Is it for his superior *Integrity*, or from his eminent *Abilities*, that he is to be dignified at such Hazard of every Consideration that ought

“to influence the Members of this Administration? Of the former (his Integrity) I know *no Proofs*; I am sure it is not an Evidence of it, that he has been *enabled* to make himself the Principal in such a *Competition*; and for the Test of his Abilities, I appeal to the Letter which he has *dared* to write to this Board, and which I am ashamed to say we have *suffered*. I desire that a Copy of it may be inserted in this Day's Proceedings, that it may stand before the Eyes of every Member of the Board, when he shall give his Vote upon a Question for giving their Confidence to a Man *their Servant*, who has publicly insulted *them, his Masters*, and the Members of the Government, to whom he owes *his Obedience*; who assuming an Association with the Court of Directors, and erecting himself into a *Tribunal*, has arraigned them for *Disobedience* of Orders, *passed Judgment* upon them, and *condemned or acquitted them as their Magistrate or Superior*. Let the Board consider, whether a Man possessed of so *independent* a Spirit, who has already shewn a Contempt of their Authority, who has shewn himself *so wretched an Advocate for his own Cause, and Negotiator for his own Interest*, is fit to be trusted with the Guardianship of *their Honour*, the Execution of *their Measures*, and as *their confidential Manager and Negotiator* with the Princes of India: As the Motion has been unaccompanied by any Reasons, which should induce the Board to pass their Acquiescence in it, I presume the Motion which preceded it, for *reading the Orders of the Court of Directors, was intended as an Argument for it, as well as an Introduction to it*. The last of those was dictated the 23d December 1778, almost Two Years past. They were dictated at a Time when, I am sorry to say, the Court of Directors were in the *Habit of casting Reproach upon my Conduct, and heaping Indignities upon my Station*.”

Had the Language and Opinions which prevail throughout this Part of the Minute, as well as in all the others to which Your Committee refer, been uttered suddenly and in a Passion, however unprovoked, some sort of Apology might be made for the Governor General. But when it was produced Five Months after the supposed Offence, and then delivered in Writing, which always implies the Power of a greater Degree of Recollection and Self-command, it shews how deeply the Principles of Disobedience had taken Root in his Mind, and of an Assumption to himself of exorbitant Powers, which he chooses to distinguish by the Title of “*his Prerogative*.” In this also will be found an obscure Hint of the Cause of his Disobedience, which Your Committee conceive to allude to the main Cause of the Disorders in the Government of India, namely, an under-hand Communication with Europe.

Mr. Hastings, by his Confidence in the Support derived from this Source, or from the Habits of independent Power, is carried to such a Length, as to consider a Motion to obey the Court of Directors,

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as a Degradation of the executive Government in his Person. He looks upon a Claim under that Authority, and a Complaint that it has produced no Effect, as a Piece of daring Insolence, which he is ashamed that the Board has suffered. The Behaviour which Your Committee consider as so intemperate and despotic, he regards as a culpable Degree of Patience and Forbearance. Major Scott, his Agent, enters so much into the Principles of Mr. Hastings's Conduct, as to tell Your Committee, that, in his Opinion, Lord Clive would have sent home Mr. Bristow a Prisoner upon such an Occasion. It is worthy of Remark, that in the very same Breath that Mr. Hastings so heavily condemns a junior Officer in the Company's Service (not a *Servant* of the Council, as he hazards to call him, but *their Fellow Servant*) for merely complaining of a supposed Injury, and requiring Redress, he so far forgets his own Subordination, as to reject the Orders of the Court of Directors even as an *Argument* in Favour of appointing a Person to an Office; to presume to censure *his* undoubted Masters; and to accuse them of having been "in a Habit" of casting Reproaches upon him, and heaping Indignities on *his* "Station." And it is to be observed, that this Censure was not for the Purpose of seeking or obtaining Redress for any Injury, but appeared rather as a Reason for refusing to obey their lawful Commands. It is plainly implied in that Minute, that no *Servant* of the Company, in Mr. Bristow's Rank, would dare to act in such a Manner, if he had not by indirect Means obtained a premature Fortune. This alone is sufficient to shew the Situation of the Company's *Servants* in the subordinate Situations, when the mere Claim of a Right, derived from the sovereign legal Power, becomes fatal not only to the Objects which they pursue, but deeply wounds that Reputation, both for Ability and Integrity, by which alone they are to be qualified for any other.

If any Thing could add to the disagreeable Situation of those, who are submitted to an Authority conducted on such Principles, it is this: The Company has ordered, that no Complaint shall be made in Europe against any of the Council, without being previously communicated to them; a Regulation formed upon grave Reasons; and it was certainly made in *Favour* of that Board. But if a Person, having Ground of Complaint against the Council, by making use of the Mode prescribed in Favour of that very Council, and by complaining to themselves, commits an Offence for which he may be justly punished, the Directors have not regulated the Mode of Complaint; they have actually forbidden it: They have, on that Supposition, renounced their Authority; and the whole System of their Officers is delivered over to the arbitrary Will of a few of their chief *Servants*.

During the whole Day of that Deliberation, Things wore a decided Face. Mr. Hastings stood to his Principles in their full Extent, and

seemed resolved upon unqualified Disobedience. But, as the Debate was adjourned to the Day following, Time was given for Expedients; and such an Expedient was hit upon by Mr. Hastings, as will, no Doubt, be unexpected by the House: But it serves to throw new Lights upon the Motives of all his Struggles with the Authority of the Legislature.

The next Day the Council met upon the Adjournment. Then Mr. Hastings proposed, as a Compromise, a Division of the Object in question. One Half was to be surrendered to the Authority of the Court of Directors, the other was reserved for his Dignity. But the Choice he made of his own Share in this Partition, is very worthy of Notice. He had taken his *sole* Ground of Objection against Mr. Bristow on the supposed ill Effect that such an Appointment would have on the Minds of the Indian Powers. He said, "that these Powers could have no Dependence on his fulfilling his Engagements, or maintaining the Faith of Treaties, which he might offer for their Acceptance, if they saw him treated with such Contempt." Mr. Bristow's appearing in a political Character, was the *Whole* of his Complaint; yet, when he comes to a voluntary Distribution of the Duties of the Office, he gives Mr. Bristow those very political Negotiations of which but the Day before he had in such strong Terms declared him personally incapable; whose Appointment he considered to be fatal to those Negotiations; and which he then spoke of as a Measure in *itself* such as the bitterest Adversary to Great Britain would have proposed. But, having thus yielded his whole Ground of ostensible Objection, he reserved to his own Appointment the entire Management of the pecuniary Trust. Accordingly he named Mr. Bristow for the former, and Mr. Middleton for the latter. On his own Principles, he ought to have done the very reverse. On every justifiable Principle he ought to have done so: For, a Servant, who for a long Time resists the Orders of his Masters, and when he reluctantly gives way, obeys them by Halves, ought to be remarkably careful to make his Actions correspond with his Words, and to put himself out of all Suspicion with regard to the Purity of his Motives. It was possible, that the political Reasons, which were solely assigned against Mr. Bristow's Appointment, might have been the real Motives of Mr. Hastings's Opposition. But these he totally abandons, and holds fast to the pecuniary Department. Now as it is notorious that most of the Abuses of India grow out of Money-dealing, it was peculiarly unfit for a Servant, delicate with regard to his Reputation, to require a *personal* and confidential Agent in a Situation merely official; in which Secrecy and personal Connections could be of no possible Use, and could only serve to excite Distrust. Matters of Account cannot be made too public; and it is not the most confidential Agent, but the most responsible, who is the fittest for the Management of pecuniary Trusts. That man was the

the fittest, at once to do the Duty and to remove all Suspensions from the Governor General's Character, who by not being of his Appointment, he could not be supposed to favour for private Purposes; who must naturally stand in awe of his Inspection; and whose Misconduct could not possibly be imputable to him. Such an Agency, in a pecuniary Trust, was the very last on which Mr. Hastings ought to have risked his Disobedience to the Orders of the Direction, or, what is even worse for his Motives, a direct Contradiction to all the Principles upon which he had attempted to justify that bold Measure.

The Conduct of Mr. Hastings, in the Affair of Mahomed Reza Khân, was an Act of Disobedience of the same Character, but wrought by other Instruments. When the Duanny (or universal Perception and Management of the Revenues) of Bengal was acquired to the Company, together with the Command of the Army, the Nabob, or Governor, naturally fell into the Rank rather of a Subject, than that even of a dependent Prince. Yet the Preservation of such a Power in such a Degree of Subordination with the Criminal Jurisdiction, and the Care of the public Order annexed to it, was a wise and laudable Policy. It preserved a Portion of the Government in the Hands of the Natives; it kept them in Respect; it rendered them quiet on the Change; and it prevented that vast Kingdom from wearing the dangerous Appearance, and still more, from sinking into the terrible State, of a Country of Conquest. Your Committee has already reported the Manner in which the Company (it must be allowed upon Pretences that will not bear the slightest Examination) diverted from its Purposes a great Part of the Revenues appropriated to the Country Government; but they were very properly anxious, that what remained should be well administered. In the Life time of General Clavering and Colonel Monson, Mahomed Reza Khân, a Man of Rank among the Natives, was judged by them the fittest Person to conduct the Affairs of the Nabob, as his Naib or Deputy, an Office well known in the ancient Constitution of these Provinces, at a Time when the principal Magistrates by Nature and Situation were more efficient. This Appointment was highly approved, and in consequence confirmed by the Court of Directors. Mr. Hastings and Mr. Barwell however thought proper to remove him. To the Authority of the Court of Directors they opposed the Request of the Nabob, stating that he was arrived at the common Age of Maturity, and stood in no Need of a Deputy to manage his Affairs. On former Occasions, Mr. Hastings conceived a very low Opinion of the Condition of the Person whom he thus set up against the Authority of his Masters. "On a former Occasion (as the Directors tell him) "and to serve a very different Purpose, he had not scrupled to declare it as visible as the Sun, that the Nabob was a mere Pageant "without even the Shadow of Authority." But on this Occasion he became more substantial. Mr. Hastings and Mr. Barwell yielded to his

his Representation, that a Deputy was not necessary, and accordingly Mahomed Reza Khân was removed from his Office.

However, lest any one should so far mistrust their Understanding as to conceive them the Dupes of this Pretext, they who had disobeyed the Company's Orders under Colour that *no Deputy was necessary*, immediately appoint another Deputy. This independent Prince, who, as Mr. Hastings said, "had an incontestible Right to his Situation, and that it was his by Inheritance," suddenly shrunk into his old State of Insignificance, and was even looked upon in so low a Light, as to receive a severe Reprimand from Mr. Hastings, for *interposing* in the Duties of his (the Deputy's) Office.

The Company's Orders censuring this Transaction in the strongest Terms, and ordering Mahomed Reza Khân to be immediately restored to the Office of Naib Subadar, were received in Calcutta in November 1779. Mr. Hastings acted on this, with the Firmness which he had shewn on others Occasions; but in his Principles he went farther. Thinking himself assured of some extraordinary Support, suitable to the open and determined Defiance with which he was resolved to oppose the lawful Authority of his Superiors, and to exercise a despotic Power, he no longer adhered to Mr. Barwell's Distinction of the Orders which had a Tendency to bring his Government into Disrepute. This Distinction afforded sufficient Latitude to Disobedience, But here he disdained all Sorts of Colours and Distinctions. He directly set up an independent Right to administer the Government according to his Pleasure; and he went so far as to bottom his Claim to act independently of the Court of Directors, on the very Statute which commanded his Obedience to them.

He declared roundly, "that he should *not* yield to the Authority of the Court of Directors in *any* Instance, in which it should require his Concession of the Rights which he held under an Act of Parliament." It is too clear to stand in need of Proof, that he neither did or could hold any Authority that was not subject in every Particle of it, and in every Instance in which it could be exercised, to the Orders of the Court of Directors.

He therefore refused to back the Company's Orders with any Requisition from himself to the Nabob, but merely suffered them to be transmitted to him, leaving it to him to do just as he thought proper. The Nabob, who called Mr. Hastings "his Patron, and declared he "would never do any Thing without his Consent and Approbation," perfectly understood this kind of Signification. For the second Time the Nabob recovered from his Trance of Pageantry and Insignificance, and collected Courage enough to write to the Council in these Terms, "I administer the Affairs of the Nizamut (the Government) which "are the Affairs of my own Family, by my own Authority, and shall "do so; and I never can on any Account agree to the Appointment of "the Nabob Mahomed Reza Khân to the Naib Subaship." Here

was

was was a second independent Power in Bengal. This Answer from that Power, proved as satisfactory as it was resolute. No farther Notice was taken of the Orders of the Court of Directors, and Mahomed Reza Khân found their Protection much more of a Shadow, than the Pageant of Power of which he aspired to be the Representative.

This Act of Disobedience differs from the others in one Particular, which, in the Opinion of Your Committee rather aggravates than extenuates the Offence. In the others Messrs. Hastings and Barwell took the Responsibility on themselves; here they held up the Pretext of the Country Government. However, they obtained thereby one of the Objects, which they appear to have systematically pursued. As they had, in the other Instances, shewn to the British Servants of the Company, that the Directors were not able to protect them; here the same Lesson was taught to the Natives. Whilst the Matter lay between the native Power and the Servants, the former was considered by Mr. Hastings in the most contemptible Light. When the Question was between the Servants and the Court of Directors, the Native Power was asserted to be a self-derived, hereditary, uncontrollable Authority, and encouraged to act as such.

In this Manner the Authority of the British Legislature was at that Time treated with every Mark of Reprobation and Contempt. But soon after, a most unexpected Change took place, by which the Persons, in whose Favour the Court of Directors had in vain interposed, obtained specific Objects, which had been refused to them: Things were however so well contrived, that legal Authority was nearly as much affronted by the apparent Compliance with their Orders, as by the real Resistance they had before met with. After long and violent Controversies, an Agreement took place between Mr. Hastings and Mr. Francis. It appears, that Mr. Hastings, embarrassed with the complicated Wars and ruinous Expences into which his Measures had brought him, began to think of procuring Peace at Home. The Agreement originated in a Conversation, held on Christmas Day 1779, between Major Scott, then Aid de Camp and now Agent to Mr. Hastings, and Mr. Ducarrel, a Gentleman high in the Company's Service at Calcutta. Mr. Scott, in consequence of this Conversation, was authorized to make Overtures to Mr. Francis, through Mr. Ducarrel; to declare Mr. Hastings tired of Controversy, expressing his Wish to have the Maratta War entirely left to him. That there were certain Points *he could not give up*. That he could *not* (for Reasons he then assigned) *submit* to the Restoration of Mr. Fowke, Mahomed Reza Khân, and Mr. Bristow. That *he had not the smallest personal Objection to them*, and would willingly provide for them in any other Line.

Mr. Francis in this Treaty insisted on those very Points which Mr. Hastings declared he could never give up; and that his Conditions

were

were the Company's Orders; that is, the Restoration of the Persons whom they had directed to be restored. The Event of this Negotiation was, that Mr. Hastings at length submitted to Mr. Francis, and that Mr. Fowke and Mahomed Reza Khân were reinstated in their Situations.

Your Committee observe on this Part of the Transaction of Mr. Hastings, that, as long as the Question stood upon his Obedience to his lawful Superiors, so long he considered the Restoration of these Persons as a gross Indignity, the submitting to which would destroy all his Credit and Influence in the Country. But when it was to accommodate his own Occasions in a Treaty with a Fellow Servant, all these Difficulties instantly vanish; and he finds it perfectly consistent with his Dignity, Credit, and Influence, to do for Mr. Francis what he had refused to the strict and reiterated Injunctions of the Court of Directors. Tranquillity was however for a Time restored by this Measure, though it did not continue long. In about Three Months an Occasion occurred, in which Mr. Francis gave some Opposition to a Measure proposed by Mr. Hastings; which brought on a Duel; upon the mischievous Effects of which Your Committee have already made their Observations.

The Departure of Mr. Francis soon after for Europe opened a new Scene, and gave Rise to a third Revolution. Lest the Arrangement with the Servants of the Company should have the least Appearance of being mistaken for Obedience to their Superiors, Mr. Francis was little more than a Month gone, when Mr. Fowke was again recalled from Benares, and Mr. Bristow soon after from Oude. In these Measures, Mr. Hastings has combined the Principles of Disobedience, which he had used in all the Cases hitherto stated. In his Minute of Consultation on this Recall, he refers to his former Minutes; and he adds, that he has "a recent Motive in the Necessity of removing any Circumstance, which may contribute to lessen his Influence, in the Effect of any Negotiations in which he may be engaged in the Prosecution of his intended Visit to Lucknow." He here reverts to his old Plea of preserving his Influence; not content with this, as in the Case of Mahomed Reza Khân he had called in the Aid of the Nabob of Bengal, he here calls in the Aid of the Nabob of Oude, who, on Reasons exactly tallying with those given by Mr. Hastings, desires that Mr. Bristow may be removed. The true Weight of these Requisitions will appear, if not sufficiently apparent from the known Situation of the Parties, by the following Extract of a Letter from this Nabob of Oude to his Agent at Calcutta, desiring him to acquaint Mr. Hastings, that "if it is proper I will write to the King [of Great Britain] and the Vizier [one of His Majesty's Ministers] and the Chief of the Company, in such a Manner as he shall direct, and in the Words that he shall order, that Mr. Bristow's Views may be

"thwarted

"thwarted there." There is no Doubt of the entire Co-operation of the Nabob Asoph ul Doulah in all the Designs of Mr. Hastings, and in thwarting the Views of any Persons who place their Reliance on the Authority of this Kingdom.

As usual, the Court of Directors appear in their proper Order in the Procession. After this third Act of Disobedience, with regard to the same Person and the same Office, and after calling the Proceedings unwarrantable, "*in order to vindicate and uphold their own Authority, and thinking it a Duty insumbent on them to maintain the Authority of the Court of Directors,*" they again order Mr. Bristow to be reinstated, and Mr. Middleton to be recalled: In this Circle the Whole moves with great Regularity.

The extraordinary Operations of Mr. Hastings, that soon after followed in every Department, which was the Subject of all these Acts of Disobedience, has made them appear in a Light peculiarly unpropitious to his Cause. It is but too probable, from his own Accounts, that he meditated some strong Measure, both at Benares and at Oude, at the very Time of the Removal of those Officers. He declares he knew, that his Conduct in those Places was such, as to lie very open to malicious Representations. He must have been sensible that he was open to such Representations from the Beginning: He was therefore impelled by every Motive which ought to influence a Man of Sense, by no Means to disturb the Order which he had last established.

Of this, however, he took no Care; but he was not so inattentive to the Satisfaction of the Sufferers, either in Point of Honour or of Interest. This was most strongly marked in the Case of Mr. Fowke. His Reparation to that Gentleman, in Point of Honour, is as full as possible. Mr. Hastings "declared that he approved his Character and his Conduct in Office, and believed that he might depend upon his exact and literal Obedience and Fidelity, in the Execution of the Functions annexed to it." Such is the Character of the Man, whom Mr. Hastings a second Time removed from the Office, to which he told the Court of Directors, in his Letter of the 3d of March 1780, he had appointed him in Conformity to their Orders. On the 14th of January 1781, he again finds it an indispensable Obligation in him to exercise Powers "*inherent in the Constitution of his Government.*" On this Principle he claimed "the Right of nominating the Agent of his own Choice to the Residence of Benares. That it is a Representative Situation. That speaking for myself alone it may be sufficient to say, that Mr. Francis Fowke is not my Agent; that I cannot give him my Confidence: That, while he continues at Benares, he stands as a Screen between the Rajah and this Government, instead of an Instrument of Controul: That the Rajah himself, and every Chief in Hindostan, will regard it as the Pledge and Foundation of his

"Independence." Here Mr. Hastings has got back to his old Principles, where he takes Post as on strong Ground. This he declares "to be his Objection to Mr. Fowke, and that it is insuperable." The very Line before this Paragraph, he writes of this Person to whom he *could* not give his *Confidence*, that "he believed he might *depend upon his Fidelity*, and his exact and literal Obedience." Mr. Scott, who is authorized to defend Mr. Hastings, supported the same Principles before Your Committee, by a Comparison, that avowedly reduces the Court of Directors to the State of a Party against their Servants. He declared, that in his Opinion "it would be just as *absurd to deprive him* of the Power of nominating his "Ambassador at Benares, as it would be to force on the *Ministry* of "this Country an Ambassador from *the Opposition*." Such is the Opinion entertained in Bengal, and that but too effectually realized, of the Relation between the principal Servants of the Company and the Court of Directors.

So far the Reparation, in Point of Honour, to Mr. Fowke, was complete. The Reparation, in Point of Interest, Your Committee do not find to have been equally satisfactory; but they do find it to be of the most extraordinary Nature, and of the most mischievous Example. Mr. Fowke had been deprived of a Place of Rank and Honour; the Place of a public Vackeel or Representative. The Recompence provided for him, is a Succession to a Contract. Mr. Hastings moved, that on the Expiration of Mr. Morgan's Contract, he should be appointed Agent to all the Boats employed for the Military Service of that Establishment, with a Commission of *Fifteen per Cent. on all Disbursements in that Office*; permitting Mr. Fowke at the same Time, to draw his Allowance of an Hundred Pounds a Month, as Resident, until the Expiration of the Contract, and for Three Months after.

Mr. Hastings is himself struck, as every one must be, with so extraordinary a Proceeding; the Principle of which he observes "is *liable to one material Objection*." That one is material indeed; For no Limit being laid down for the Expence, in which the per Centage is to arise, it is the direct Interest of the Person employed to make his Department as expensive as possible. To this Mr. Hastings answers, that "he is convinced by experience it will be better *performed*;" and yet he immediately after subjoins, "this *Defect* can *only* be corrected by the Probity of the Person intrusted with so important a Charge, and I am willing to have it understood as a "Proof of the *Confidence I repose in Mr. Fowke*, that I have proposed "his Appointment, in Opposition to a *general Principle*, to a Trust so "constituted."

In the Beginning of this very Minute of Consultation, Mr. Hastings removes Mr. Fowke from the Residency of Benares, because "he "cannot give him his Confidence;" and yet, before the Pen is out of his Hand

Hand, he violates one of the soundest general Principles in the whole System of Dealing, in order to give a Proof of the Confidence he reposes in that Gentleman. This apparent gross Contradiction is to be reconciled but by one Way; which is, that Confidence with Mr. Hastings comes and goes with his Opposition to legal Authority. Where that Authority recommends any Person, his Confidence in him vanishes; but, to shew that it is the Authority, and not the Person, he opposes, when that is out of Sight, there is no Rule so sacred which is not to be violated to manifest his real Esteem and perfect Trust in the Person whom he has rejected. However, by overturning general Principles to compliment Mr. Fowke's Integrity, he does all in his power to corrupt it; at the same Time he establishes an Example, that must either subject all future Dealings to the same pernicious Clause, or which, being omitted, must become a strong implied Charge on the Integrity of those who shall hereafter be excluded from a Trust so constituted.

It is not foreign to the object of your Committee, in this Part of their Observations, which relates to the Obedience to Orders, to remark upon the Manner in which the Orders of the Court of Directors, with regard to this Kind of Dealing in Contracts, are observed. These Orders relate to Contracts; and they contain Two standing Regulations.

1st. That all Contracts shall be publicly advertised, and that the most reasonable Proposals shall be accepted.

2d. That Two Contracts, Those of Provisions and for Carriage Bullocks shall be only annual.

These Orders are undoubtedly some Correctives to the Abuses which may arise in this very critical Article of public Dealing. But the House will remark, that if the Business usually carried on by Contracts, can be converted the pleasure into Agencies, like that of Mr. Fowke, all these Regulations perish of Course; and there is no direction whatsoever for restraining the most prodigal and corrupt Bargains for the Public.

Your Committee have enquired into the Observance of these necessary Regulations; and they find, that they have, like the rest, been entirely contemned, and contemned with entire Impunity. After the Period of Colonel Monson's Death, and Mr. Hastings and Mr. Barwell obtaining the Lead in the Council, the Contracts were disposed of without at all advertising for Proposals. Those in 1777, were given for Three Years; and the Gentlemen in question, growing, by Habit and Encouragement, into more Boldness, in 1779, the Contracts were disposed of for Five Years; and this they did at the Eve of the Expiration of their own Appointment to the Government. This Encrease in the Length of the Contracts, though contrary to Orders, might have admitted some Excuse, if it had been made, even in Appearance, the Means of lessening the Expence. But the Advantages allowed to

the Contractors, instead of being diminished, were enlarged, and in a Manner far beyond the Proportion of the Enlargement of Terms. Of this Abuse and Contempt of Orders, a Judgment may be formed by the single Contract for supplying the Army with Draft and Carriage Bullocks. As it stood at the Expiration of the Contract in 1779, the Expence of that Service was about One thousand Three hundred Pounds a Month. By the new Contract, given away in September of that Year, the Service was raised to the enormous sum of near Six Thousand Pounds a Month. The monthly Encrease therefore being Four Thousand Seven hundred Pounds, it constitutes a total Encrease of Charges for the Company, in the Five Years of the Contract, of no less a Sum than Two hundred and Thirty-five thousand Pounds. Now, as the former Contract was, without Doubt sufficiently advantageous, a Judgment may be formed of the Extravagance of the present. The Terms, indeed, pass the Bounds of all Allowance for Negligence and Ignorance of Office.

The Case of Mr. Bellis's Contract for supplying Provisions to the Fort, is of the same Description; and, what exceedingly increases the Suspicion against this Profusion in Contracts, made in direct Violation of Orders, is, that they are always found to be given in favour of Persons closely connected with Mr. Hastings in his Family, or even in his actual Service.

The Principles upon which Mr. Hastings and Mr. Barwell justify this Disobedience, if admitted, reduce the Company's Government, so far as it regards the Supreme Council, to a mere Patronage; to a mere Power of nominating Persons to or removing them from an Authority, which is not only despotic with regard to those who are subordinate to it, but, in all its Acts, entirely independent of the legal Power, which is nominally superior. These are Principles directly leading to the Destruction of the Company's Government. A correspondent Practice being established (as in this Case of Contracts as well as others it has been) the Means are furnished of effectuating this Purpose; for the common Superior, the Company, having no Power to regulate or to support their own Appointments, nor to remove those whom they wish to remove, nor to prevent the Contracts from being made use of against their Interest, all the English in Bengal must naturally look to the next in Authority; they must depend upon, follow, and attach themselves to him solely: And thus a Party may be formed, of the whole System of Civil and Military Servants, for the Support of the Subordinate, and Defiance of the Supreme Power.

Your Committee being led to attend to the Abuse of Contracts, which are given upon Principles fatal to the Subordination of the Service, and in Defiance of Orders, revert to the Disobedience of Orders in the Case of Mahomed Reza Khan.

This

This Transaction is of a Piece with those that preceded it. On the 6th of July 1781, Mr. Hastings announced to the Board the Arrival of a Messenger, and introduced a Requisition from the young Nabob Mobarek ul Dowla, "That he might be permitted to dispose of *of his own Stipend, without being made to depend on the Will of another.*" In Favour of this Requisition Mr. Hastings urged various Arguments: That the Nabob could no longer be deemed a Minor: That he was Twenty-six Years of Age, and Father of many Children: That his Understanding was much improved *of late*, by an Attention to his Education: That these Circumstances gave him a Claim to the uncontrolled Exercise of domestic Authority; and it might reasonably be supposed, that he would pay a greater Regard to a just Economy in his own Family, than had been observed by those who were Aliens to it. For these Reasons Mr. Hastings recommended to the Board, That Mahomed Reza Khân should be immediately divested of the Office of Superintendant of the Nabob's Household, *and that the Nabob Mobarek ul Dowla should be entrusted with the exclusive and entire Receipts and Disbursements of his Stipend, and the uncontrolled Management and Regulations of his Household.*—Thus far Your Committee are of Opinion, that the Conclusion corresponds with the Premises; for, supposing the Fact to be established or admitted, that the Nabob, in point of Age, Capacity, and Judgment, was qualified to act for himself, it seems reasonable that the Management of his domestic Affairs should not be withheld from him. On this Part of the Proceeding Your Committee will only observe, that if it were strictly true that the Nabob's Understanding had been much improved *of late*, by an Attention to his Education (which seems an extraordinary Way of describing the Qualifications of a Man of Six-and-twenty, the Father of many Children) the Merit of such Improvement must be attributed to Mahomed Reza Khân, who was the only Person of Rank and Character connected with him, or who could be supposed to have any Influence over him. Mr. Hastings himself reproaches the Nabob with raising mean Men to be his Companions; and tells him plainly, *that some Persons, both of bad Character and base Origin, had found the Means of insinuating themselves into his Company and constant Fellowship.*—In such Society, it is not likely that either the Nabob's Morals or his Understanding could have been much improved; nor could it be deemed prudent to leave him without any Check upon his Conduct.—Mr. Hastings's Opinion on this Point may be collected from what he did, but by no Means from what he said, on the Occasion.

The House will naturally expect to find that the Nabob's Request was granted, and that the Resolution of the Board was conformable to the Terms of Mr. Hastings's Recommendation. Yet the Fact is directly the reverse. Mr. Hastings, after advising *that the Nabob should be entrusted with the exclusive and entire Receipts and Disbursements of his Stipend*, immediately corrects that Advice, *being aware that so sudden*

sudden and unlimited a Disposal of a large Revenue might at first encourage a Spirit of Dissipation in the Nabob; and reserves to himself a Power of establishing, with the Nabob's Consent, such a Plan for the Regulation and equal Distribution of the Nabob's Expences, as shall be adapted to the dissimilar Appearances of preserving his Interests and his Independence at the same Time. On the same complicated Principles, the subsequent Resolution of the Board professes to allow the Nabob the Management of his Stipend and Expences; with an Hope however (which, considering the relative Situation of the Parties, could be nothing less than an Injunction) that he would submit to such a Plan, *as should be agreed on between him and the Governor General.*

The Drift of these Contradictions is sufficiently apparent. Mahomed Reza Khân was to be divested of his Office at all Events, and the Management of the Nabob's Stipend committed to other Hands. To accomplish the First, the Nabob is said to be "now arrived at that Time of Life, when a Man may be supposed capable, *if ever*, of managing his own Concerns." When this Principle has answered the momentary Purpose for which it was produced, we find it immediately discarded, and an opposite Resolution formed on an opposite Principle, viz. that he shall *not* have the Management of his own Concerns, *in Consideration of his Want of Experience.*

Mr. Hastings on his Arrival at Moorshedabad, gives Mr. Wheler an Account of his Interview with the Nabob; and of the Nabob's implicit Submission to his Advice. The principal, if not the sole Object of the whole Operation, appears from the Result of it. Sir John D'Oyly, a Gentleman in whom Mr. Hastings places particular Confidence, succeeds to the Office of Mahomed Reza Khân, and to the same Controul over the Nabob's Expences. Into the Hands of this Gentleman the Nabob's Stipend was *to be immediately paid, as every intermediate Channel would be an unavoidable Cause of Delay;* and to his Advice the Nabob was required to give the same Attention, as if it were given by Mr. Hastings himself. One of the Conditions prescribed to the Nabob was, that he should admit no Englishman to his Presence, without previously consulting Sir John D'Oyly; *and he must forbid any Person of that Nation to be intruded without his Introduction.* On these Arrangements, it need only be observed, that a Measure which sets out with professing to relieve the Nabob from a State of *perpetual Pupilage*, concludes with delivering not only his Fortune but his Person to the Custody of a particular Friend of Mr. Hastings.

The Instructions given to the Nabob, contain other Passages that merit Attention. In one Place Mr. Hastings tells him, "You have offered to give up the Sum of Four Lacks of Rupees to be allowed the free use of the Remainder; but this we have refused." In another he says, that "*as many Matters will occur, which cannot be so easily explained by Letter as by Conversation,* I desire that you will on such Occasions give your Orders to Sir John D'Oyly, respecting such
" Points

"Points as you may desire to have imparted to me." The Offer alluded to in the First Passage, does not appear in the Nabob's Letters; therefore must have been in Conversation, and declined by Mr. Hastings, without consulting his Colleague. A Refusal of it might have been proper; but it supposes a Degree of Incapacity in the Nabob, to be reconciled to the Principles on which Mahomed Reza Khân was removed from the Management of his Affairs.

Of the Matters alluded to in the Second, and which it is said, *could not be so easily explained by Letters as in Conversation*, no Explanation is given. Your Committee will therefore leave them, as Mr. Hastings has done, to the Opinion of the House.

As soon as the Nabob's Requisition was communicated to the Board, it was moved, and resolved, That Mahomed Reza Khân should be divested of his Office; and the House have seen in what Manner it was disposed of. The Nabob had stated various Complaints against him:—That he had dismissed the old established Servants of the Nizamut, and filled their Places with his own Dependents: That he had *regularly received* the Stipend of the Nizamut from the Company, yet had kept the Nabob involved in Debt and Distress, and exposed to the Clamours of his Creditors; and sometimes even in want of a Dinner. All these Complaints were recorded at large in the Proceedings of the Council; but it does not appear that they were ever communicated to Mahomed Reza Khân, or that he was ever called upon, in any Shape, to answer them. This Circumstance inclines your Committee to believe, that all of these Charges were groundless; especially as it appears, on the Face of the Proceedings, that the chief of them were not well founded. Mr. Hastings, in his Letter to Mr. Wheler, urges the absolute Necessity of the monthly Payment of the Nabob's Stipend *being regularly made*; and says, that to relieve the Nabob's present Wants, he had directed the Resident to raise an immediate Supply on the Credit of the Company, to be repaid from the first Receipts. From hence your Committee conclude, that the monthly Payments had *not* been regularly made; and that whatever Distresses the Nabob might have suffered, must have been owing to the Governor General and Council, not to Mahomed Reza Khân; who, for aught that appears to the contrary, paid away the Stipend as fast as he received it. Had it been otherwise, that is, if Mahomed Reza Khân had reserved a Balance of the Nabob's Money in his Hands, he should, and undoubtedly he would have been called upon to pay it in; and then there would have been no Necessity for raising an immediate Supply by other Means.

The Transaction, on the Whole, speaks very sufficiently for itself. It is a gross Instance of repeated Disobedience to repeated Orders; and it is rendered particularly offensive to the Authority of the Court of Directors, by the frivolous and contradictory Reasons assigned for it. But, whether the Nabob's Requisition was reasonable

or

or not, the Governor General and Council were precluded, by a special Instruction, from complying with it. The Directors, in their Letter of the 14th of February 1779, declare, That a Resolution of Council (taken by Mr. Francis and Mr. Wheeler, in the Absence of Mr. Barwell) viz. "That the Nabob's Letter should be referred to *them* for their Decision; and that no Resolution should be taken in Bengal, on his Requisitions, without their special Orders and Instructions," was very proper. They prudently reserved to themselves the Right of deciding on such Questions; but they reserved it to no Purpose. In England, the Authority is purely formal. In Bengal, the Power is positive and real. When they clash, their Opposition serves only to degrade the Authority that ought to predominate, and to exalt the Power that ought to be dependent.

Since the closing of the above Report, many material Papers have arrived from India, and have been laid before Your Committee: That which they think it most immediately necessary to annex to the Appendix to this Report, is the Resolution of the Council General to allow to the Members of the Board of Trade resident in Calcutta, a Charge of Five per Cent. on the Sale in England of the Investment formed upon their Second Plan, namely, that Plan which had been communicated to Lord Macartney. The Investment on this Plan is stated to be raised from £800,000 to £1,000,000 Sterling.

It is on all Accounts a very memorable Transaction, and tends to bring on a heavy Burthen operating in the Nature of a Tax, laid by their own Authority on the Goods of their Masters in England: If such a Compensation to the Board of Trade was necessary, on Account of their Engagement to take no farther (that is to say, no unlawful) Emolument, it implies, that the Practice of making such unlawful Emolument had formerly existed; and Your Committee think it very extraordinary, that the first Notice the Company had received of such a Practice should be in taxing them for a Compensation for a partial Abolition of it, secured on the Parole of Honour of those very Persons who are supposed to have been guilty of this unjustifiable Conduct. Your Committee consider this Engagement, if kept, as only a partial Abolition of the implied corrupt Practice, because no Part of the Compensation is given to the Members of the Board of Trade who reside at the several Factories, though their Means of Abuse are without all Comparison greater; and if the Corruption was supposed so extensive as to be bought off at that Price where the Means were fewer, the House will judge how far the Tax has purchased off the Evil.



A
L E T T E R
TO THE
Rt. Hon. EDMUND BURKE,
In Reply to the Insinuations
IN THE
NINTH REPORT
OF THE
SELECT COMMITTEE,
Which affect the Character of Mr. HASTINGS.

L E T T E R

TO THE

RE HON EDWARD BURKE,

In Reply to the Insinuations



IN THE

WINTH RARY

OF THE

SELECT COMMITTEE,

Which after the Charge of Mr. Hastings

P R E F A C E.

THE following letters, not originally intended for a general publication, have been circulated amongst such honourable Members of both Houses, as I conceived were most likely to take part in the consideration of India affairs, and amongst the respectable and independent proprietors, who voluntarily stood forth in defence of Mr. Hastings, from a regard to justice, an esteem for his character, and an opinion of his integrity. If the insinuations and misrepresentations contained in every page of the 9th report, so far as Mr. Hastings is concerned, were to remain uncontradicted, even his friends might blame him for acts, which, when candidly and truly stated, do him infinite honor. While the 9th Report

was printed by an order of the Honourable House of Commons, for the information of its own Members only, it might have been deemed improper and disrespectful in me, to have offered any remarks upon it, subscribing my name to the publication, but to my great astonishment, I have seen a correct copy of this Report exposed to sale at the shops of the principal booksellers; and in order to attract the attention of the public to its contents, it has been advertised in several newspapers, as containing "an account of the conduct of the " Hon. Warren Hastings, Esq;,"

The dazzling talents, and the unremitting industry of Mr. Burke, either to accuse or to defend, are well known. His enmity to Mr. Hastings, from the time his cousin William was appointed Vakeel to the Raja of Tanjore, and his solemn pledge to God, the House of Commons, and his country, in the early part of the late session, that he would prove him a most notorious delinquent, are also of public notoriety.

Mr. Burke has had access to every Record of the East India Company.—He has industriously sought for information from every gentleman

tleman who has served in India. It is fair therefore to presume that the Ninth Report contains every thing, which tends to fix the charge of delinquency upon Mr. Hastings.—The public will judge for themselves. I have not attempted, as Mr. Burke has done, to draw false inferences from assumed facts. The Records of the East India Company are the authorities from whence, I trust, I have refuted every insinuation that affects Mr. Hastings.

* There was a time when Mr. Burke censured His Majesty's Ministers for the exposure of the Company's affairs, and for aggravating their distresses "with all the parade of indifference and declamation," when he termed two Committees of the House of Commons, "our dear-bought East India Committees," but what was done then was politic and wise, when compared to late proceedings.—The Governor General fills one of the first and the most important offices under the British empire. Is it consonant to sound policy, that the world should be informed the Government of this country can have no confidence in him? Is it

* Vide his famous speech of the 19th of April, 1774.—
Printed by Doddsley.

decent or fitting that a pamphlet, stuffed with insinuations and misrepresentations of the grossest kind, tending to ruin his reputation, and to blast his character with his fellow Subjects, and amongst foreign nations, should be circulated under the sacred name of a Parliamentary Report, unaccompanied by an explanation?

Whether Mr. Hastings is to be removed or to be continued in the Government of Bengal is not a point of much consideration with his friends; but as long as any set of men, either from interested views, or from any other motive, shall attempt his removal on the plea of delinquency, so long will they stand forth with confidence, and with success too, in his justification, and they will be equally ready to argue the charges produced, and the expediency of his removal, whenever those questions are brought forward.

Every dispatch from India brings a fresh proof of the activity and successful exertions of the Government of Bengal. The resources procured by Mr. Hastings, to supply the pressing exigencies of the Presidencies of Fort St. George,

George, and Bombay, have far exceeded the sanguine hopes of his friends, and fully refuted the woeful predictions of his enemies.

These facts are so strong, that notwithstanding the honour of Parliament was imprudently committed with the Proprietors of East-India Stock, by a hasty, ill-considered Vote, in a thin House, "That it was the duty of the Court of Directors to recall Mr. Hastings;" notwithstanding the same Parliament, and his Majesty's present Ministers were pledged to the Nation by a Solemn Vote, at the end of the Sessions of 1782, to resume that subject in the beginning of the last Session; notwithstanding the Secretary of State had illegally restrained the East-India Company from transmitting to the East-Indies, in an official manner, the Vote of the General Court of Proprietors, in favor of Mr. Hastings, "because his Majesty intended to lay the whole of those proceedings before his Parliament:" Notwithstanding by such incongruous proceedings, the Government of our possessions in the East is almost dissolved, at a moment too, when it requires the firmest basis; nay, notwithstanding all the powers of govern-

government were called upon by Mr. Hastings, in his manly minute of the 8th of November, 1782, to come to some decision on the subject,* yet such is the general prejudice

* After stating the mischievous consequences of the late Reports, relative to a change of the government in Bengal, Mr. Hastings adds, " With respect to myself, I hereby declare and protest, that I am not, nor will acknowledge myself responsible for any disappointment, loss, misfortune, or embarrassment, which shall attend the political interests of the Company, dependant on this Government, from the present hour, to that in which I shall either deliver over the charge of my office, if I am to be relieved from it; or in which I shall be confirmed in the possession of it—I hope I shall not be suspected of the baseness of intending to abandon my trust, and thus preparing a plea for the effects of my own infidelity. — While my sense of what I owe to my king, my country, and my employers, shall require me to remain in my office; while I am allowed to remain in it, and allowed the full and free exercise of it, no consideration of family, life, or fortune, shall tempt me to desert it; and I hope I know myself when I declare, that no sense of personal injury or disgrace shall abate the zeal with which I have hitherto discharged the duties of it. For this assurance let my past conduct be the pledge.—I have now held the first nominal place in this government almost twelve years.—In all this long period I have almost unremittedly wanted that support which all my predecessors have enjoyed from their constituents,—from mine I have received nothing but reproach, hard epithets, and indignities, instead of rewards and encouragement: and instead of being allowed to exercise the powers of my own government,

dice of opinion in favor of this great man ; such is the conviction on the face of the public dispatches, of the extreme difficulties he had to encounter, and his arduous exertions to surmount them, that though called upon by the supposed delinquent, pressed by every obligation, private and public, possessing the chief power of the state, yet disregarding their own honour, and the honour of Government, by leaving all things in the chaos above represented, they rather choose to submit to these reproaches, than to hazard the question of the merit and demerit of Mr. Hastings, when the facts are recent on the minds of men, and they prolong the anarchy for another year, instigating and permitting their instruments, in the mean while, to disseminate every species of abuse, and to poison

“ ment, for the benefit and improvement of their service,
 “ these, during a series of six years, were not only denied me,
 “ but converted, even with their connivance and encourage-
 “ ment, into instruments of hostility, of which I myself per-
 “ sonally, and all my measures, were the objects ; yet under
 “ all the difficulties which I have described, such have
 “ been the exertions of this Government, since I was first
 “ placed at the head of it, that in no one period of the Com-
 “ pany's annals has it known an equal state, either of wealth,
 “ strength, or prosperity ; and let it not be imputed to me as a
 “ crime, if I add, of Splendid Reputation.

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the minds of the public, by distorting recent facts, and bringing forth old refuted charges as matters of new discovery.

Here I meant to have closed, but this day's proceedings in the House of Commons, and a few minutes only before the House was prorogued, have, I confess, excited both my indignation and my contempt.—It is true, Mr. Burke spoke almost to empty Benches, yet his motion was assented to, and therefore claims my attention.—I pass over the ridiculous, the fulsome compliments which he paid to the labours of that Committee, of which, though not the sole, he is undoubtedly the most active Member.—He then observed, it was an accident only, which prevented the Committee from making a further Report to the House of Commons, in which some very extraordinary instances of speculation, connivance, &c. (for it is impossible to follow Mr. Burke, when his imagination runs away with him) would have been laid before the House.—He therefore moved, that certain papers should be presented for the information of the Members.—The Motion was seconded by Lord North, and carried of course.

course.—The principle papers called for, indeed all of any consequence, were those sent to England by the Majority of the Supreme Council, in the year 1775, which tended to fix upon Mr. Hastings, the imputation of having acquired no less a sum than Four Hundred Thousand Pounds, by indirect means, in thirty Months.—The opinions of the most eminent Lawyers in England were taken, and they all declared, that there were no grounds for an action at Law, the present Lord Loughborough excepted, who though he advised an action, yet confessed that the charges were confused and imperfect.—The majority of the Supreme Council, who sent these extraordinary charges from Bengal, in 1775, promised proofs by a future dispatch: None however were sent, and the Court of Directors, unable, with the assistance of the first Law Officers of the Crown, and the advice of Lord Ashburton, Mr. Serjeant Adair, and Mr. Sayer, to make any thing of such an heterogeneous jumble of matter, dropped every idea of a prosecution.*—Lord North was the

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Minister

* It is a curious fact, that a bare majority of the Court of Directors would have removed Mr. Hastings, in 1776, upon the

Minister at that time—He was consequently acquainted with every circumstance relative to these extraordinary transactions, and at a distant period, in two subsequent and successive years, 1780, and 1781, the noble Lord proposed that Warren Hastings, Esq. should again and again be appointed the Governor-General of Bengal.—Not a syllable was heard of peculation.—Not a suspicion of corruption,—though the papers, this day moved for, had been canvassed most critically at the India-House, and the west end of the town, in 1775, and 1776. The men attached to General Clavering, whose upright intentions I never doubted, lamented that so respectable a man should have been imposed upon by so dark a villain as Nundcomar.—In 1781, two Committees of the House of Commons were nominated, the one to enquire into the cause of the war in the Carnatic, the other to consider

the charges alluded to, but they were prevented by the interposition of the Court of Proprietors, and on that occasion every member of the Rockingham Party voted in favor of Mr. Hastings; yet Mr. Burke *now* brings these charges forward as if the world had never heard of them before, though they were very fully investigated, and the subject of long debates at a General Court, where the question was carried in favor of Mr. Hastings, by a prodigious majority of independent men, against the whole force of Government.

consider the state of the judicature in Bengal. Not an idea of Mr. Hastings's delinquency was ever entertained, by any Member of the Secret Committee, tho' the Lord Advocate would have removed him on the ground of *expediency*.

The Select Committee were investigating the cause of Sir Elijah Impey's appointment to the Sudder Dewanne Adawlet, when I arrived in London, on the 18th of December, 1781.—I had the honor to be repeatedly examined by the Committee upon various subjects:—Soon after the change of the Ministry, in March, 1782, Mr. Edmund Burke told me that there was a direct charge of corruption against Mr. Hastings, and he summoned Mr. Charles Goring to attend the Committee, with a view, I suppose of substantiating this charge.—I wrote a Letter to General Richard Smith upon the occasion, in which I expressed my readiness to reply to any charge that could be brought against Mr. Hastings; that if Mr. Burke meant to revive in 1782, the charges which had been sent from Bengal in 1775, an ample and complete refutation of them would be found at the India-House; that if any further charges were brought forward,

ward, I was then ready to reply to them, &c, &c.—My Letter was read in the Committee, on the 10th of May, 1782, about the time, I believe that Mr. Burke was attempting to substantiate the extraordinary charges he had brought against Lord Rodney and General Vaughan. Both enquiries were dropped, as I thought, for although I shewed as strong an anxiety out of the House, to sift the charge of corruption against Mr. Hastings to the bottom, as Lord Lisburne did in the House, to bring the accusation against the General to an issue, we heard no more of Mr. Hastings, Lord Rodney, or General Vaughan, as having acted corruptly, or oppressively, during that Session of Parliament.—When the House met in December last, the Select Committee was revived, but not a word passed relative to “this direct charge of corruption,” until this day, when, to my utter astonishment, a motion was made by Mr. Burke, and seconded by Lord North, that all the papers relative to this charge, as Mr. Burke is pleased to style it, should be laid in their crude state before the House of Commons.—Let any rational and honest man consider for a moment the nature of these proceedings, which I will recapitulate.—

In

In the month of May, 1782, Mr. Edmund Burke, the confidential dependant of the Minister of that day, with all the coercive power of this country in his hands, enjoying the confidence of a ministry omnipotent in Parliament, and popular without doors, tells the agent of Mr. Hastings, that there is "a direct charge of corruption" against the Governor-General. Tho' the power of Mr. Burke was so great, and popular prejudices then at the height; tho' Mr. Hastings was so totally unconnected in this country, and the Agent deprived of every means of support; yet, relying solely upon the integrity of his principal, and the justice of his country, he pressed Mr. Burke to bring forward the charge, and pledged himself to answer it. Will any man, who knows the impetuous temper of Mr. Burke; who knows his enmity to Mr. Hastings, suppose that he would have declined to prefer the charge, if he could have supported it? But the fact is, that that session of Parliament was prorogued without my hearing a syllable more of this "direct charge of corruption."—In December last the Committee met again.—It has made five Reports, yet, no "direct charge of corruption;" And this day, just as his Majesty

jeffy is on his way to the House of Peers, Mr. Burke (without any previous notice) tells fifteen or twenty members, who were assembled in the House of Commons, that the Committee is prevented by an accident from making such a Report as would expose the speculation, connivance at speculation, &c. of the principal servants of the Company abroad and at home, and then moves that those papers, in their crude state, should be laid before the House, which the first Law Authorities in this country pronounced, in 1776, to be imperfect, confused, and unintelligible.

I have so unfeigned a respect for, and so high an opinion of Lord North, that I am sure he seconded the motion from the most laudable motives.—His lordship must have read those papers officially, in 1775, which contain the “charge of corruption.”—Since that period he has twice proposed Mr. Hastings in Parliament, for the high and important office of Governor-General of Bengal. I want no further proof of his Lordship’s conviction of Mr. Hastings’s integrity, honour, and abilities. By seconding a motion for laying the papers before Parliament he is desirous of course that the Members, having the same
means

means of information, may entertain those favourable sentiments of the Governor-General, which his Lordship did when he brought him forward three times to fill the most important office under the British Empire, and which, I hope and believe, he still entertains for him. — As to Mr. Burke, I have seen such strange marks of prejudice in him, towards the most distinguished characters in this country, Lord North, Lord Shelburne, Mr. Pitt, &c. &c. when they have differed from him in opinion, that I despair of making a convert of him, unless indeed it should be his interest in future to call Mr. Hastings “His Honourable Friend.”

Queen-Square,
16th July, 1783.

JOHN SCOTT.

means of information, may entertain those
favourable sentiments of the Governor Ge-
neral which his Lordship did when he brought
him forward three times to the House of
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wards the most distinguished characters in this
country, Lord North, Lord Bute, Mr.
Pitt, &c. &c. when they have differed from
him in opinion, that I began of making a
comparison of him, and he should be
his interest in future.



JOHN SCOTT

TO THE

Right Hon. EDMUND BURKE.

London, 19th June, 1783.

S I R,

THE ninth Report of the Select Committee has at length been published. Several months have elapsed since you first declared, that the merit of this extraordinary composition, whenever it appeared, would be solely and exclusively your own. The seventh Report, which was confined to the business of Mr. Sullivan, Sir William James and Mr. Wilks, was the production of your honorable friend, General Smith; but as the members within doors, and the public with-

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out, have been less warm in commendation of that performance than yourself, it has so happened, that tho' you were both solemnly pledged to prove the matter, neither trivial, unimportant, nor worthy to be presented *on the 1st of April*, you consented to the proposition of Mr. Fox, that the consideration of the subject should be postponed to a future day, which was in fact dismissing it for ever. The ninth Report however treats of so many subjects of great importance, that it can neither be hastily or lightly answered. I shall not presume to anticipate the defence, which the East-India Company will doubtless make to so many very serious and heavy charges; nor shall I say a syllable in reply to the illiberal abuse which you have heaped upon the Court of Proprietors, for presuming to exercise those Rights legally vested in them, when they acknowledged the merits and qualifications of Mr. Hastings. I shall confine myself solely to the correction of such errors and misrepresentations, as may tend to impress the public with an unfavorable opinion of his character. Indeed almost every thing contained in the present Report, in which he is concerned, has already been brought forward



ward by your Committee, and fully, fairly, and satisfactorily refuted by "Detector." The only new points are, the remarks upon the plan of the 8th of April, 1782, for furnishing an investment, and the history of Mr. Hastings's pretended resignation in 1776.

I give you, Sir, every credit you can require, for the many very ingenious arguments, which you have made use of to depreciate the plan of the 8th of April, but I really do not see with what propriety they were introduced into a Report, professedly made for the purpose of giving information to the House of Commons, *in order to enable them to adopt the most proper means for regulating the British Government in India.* You knew, on Friday, the 13th Instant, at the time your worthy Chairman presented the Report, that the plan, whether good or bad, was abandoned; you had known it above two months; even the Lively's packet had been a month at the India-House, and they contained a minute from the Governor-General and Council, from which I have been able to extract some *solid reasons*, which they have given for altering the plan of the 8th of April. It would

not

not have swelled your Report much, but it certainly would have evinced your candour, if you had inserted the minute at length in the body of your Report, instead of publishing it in your Appendix, and representing one part of it in a false point of view. However as you have not thought proper to do this, I beg leave to inform such Members of the Honorable House of Commons, as may condescend to read this letter, that the Governor General and Council, in their minute of the 10th of May, 1782, observe
 “ that the plan of the 8th and 15th of April
 “ was liable, as they had been advised, to
 “ strong and weighty objections, and that
 “ since the publication of the plan, *they had*
 “ *received a latitude from the Company to draw*
 “ *bills upon them, in particular cases, such as*
 “ *they conceived the present to be:* They there-
 “ fore resolve to draw upon the Company for
 “ eighty lacks of rupees, at an exchange of
 “ two shillings the current rupee, payable in
 “ one and two years, without interest, in
 “ England, but 8 per cent to be allowed in
 “ Bengal, from the time the money was paid
 “ into the Treasury, to the day the bills
 “ were granted; and they further say, that
 “ it

“ it shall be recommended to the Court of
 “ Directors, (*they having no power to grant*
 “ *such an allowance*) to allow the President and
 “ Members of the Board of Trade 5 per
 “ cent. on the produce of the sales in Eng-
 “ land, after the manner in which the Com-
 “ pany gratify their supra-cargoes in Can-
 “ ton.”

In a letter which I did myself the honor to address to you some time ago, I proved, from authentic evidence, drawn from the Records of the East-India Company, that this remittance, negotiated in the moment of war and distress, is more advantageous, by above 12 per cent, than that which your worthy Chairman General Richard Smith recommended to the Council in Bengal, in the time of peace and tranquillity. I also find, Sir, that Mr. Hastings has not subscribed five thousand pounds to this remittance, but your Chairman remitted the enormous sum of Eighty Three Thousand Six Hundred Pounds by that which he had so strongly recommended. I confess it is with difficulty I can restrain my indignation, when I am vindicating the character of Mr.

Hastings

Hastings, from such gross aspersions as are cast upon it. In the first place he is blamed for adopting a plan, which, upon more mature reflection, and *receiving a latitude from the Company for drawing upon them*, he relinquished. Then he is said to have allowed the Board of Trade, in his improved plan, 5 per cent. on the sales in England, when the real fact is, the Supreme Council have merely recommended to the Court of Directors to make that allowance, which after all, it is at their option to grant or to reject, and the recommendation was in consequence of a very considerable reduction in the cost of the investment.

These strictures upon a plan *that has never been adopted*, and as you well know, *never will be adopted*, remind me of the very curious observation the General made in his 7th Report, as to the manner in which two acts of parliament were mentioned, in a letter from Mr. Sullivan and Sir William James, to the Supreme Council. The General proves, almost in the following page, that such paragraphs *made no part of the letter*, and you have now favored the House with an elaborate treatise

treatise upon an impolitic plan, and then gravely observe, that "the judgment formed "on the scheme of April (abandoned) has "nothing to do with the project of May," adopted. Then you assign two curious reasons for not suppressing your reflections, the first not founded in truth, the last merely an insinuation; for I must inform you, Sir, that the Company received the plan of the 10th of May, by the Lively, a Month before your report was presented, though you assert that the Company does not know of it, by any regular transmission.

The Governor-General's disobedience of orders is again asserted. No new facts are adduced, and I trust I have in a former publication fully cleared up every point of this kind. I call upon your Chairman, General Smith, who knows something of India, to declare, as a man of honor, whether the measures pursued in England in 1776, and the two following years, were not of a most dangerous and mischievous nature, that they tended to weaken the necessary influence of the first British subject in India. If you do not already know it, I inform you, Sir, that

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Mr. Hastings's language, both to his Majesty's Ministers, and to the Court of Directors, has been uniform and consistent. " Remove me, or confirm me, but do not leave me at the head of the government, and deprive me of the necessary powers of acting with effect for the public good." As often as you mention Mr. Hastings's conduct to Mr. Bristow, and Mr. Fowke, so often will I repeat the evidence which I gave to your Committee, and I desire General Richard Smith, who has served the Company almost as long as I have done in India, may contradict me, if what I advance should not be founded in truth and common sense.

Mr. Hastings succeeded to the Government of Bengal in April, 1772, at that time, and for two years afterwards he enjoyed the full confidence of his constituents—a confidence which he never abused. I ask General Smith, if at that period, as well as during the Government of Lord Clive, Mr. Verelst and Mr. Cartier, the Court of Directors interfered in the internal arrangements of the Government of Bengal. They appointed civil servants as they had always done, but they left it

it to the Government abroad to employ them as they thought best for the public service. What would Lord Clive have said, had the Court of Directors nominated the junior servants to offices of trust and confidence in Bengal. He would have declared at once that such an interference would effectually destroy the necessary authority of the Government upon the spot.

The acts of disobedience which you have again brought forward, when stripped of the sophistry and misrepresentation, in which they are involved in the Report, are as follows.

Mr. Bristow and Mr. Fowke, two gentlemen of very fair and irreproachable characters, were appointed Residents at Oude and Benaris; the former in the room of Mr. Middleton, who had been nominated to that employment by Mr. Hastings about a year before, the latter was appointed to a new office the very moment that his father, not in the Company's service, had rendered himself conspicuous by taking an active part against Mr. Hastings, in the unfortunate contentions which at that time divided the Supreme

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Coun.

Council. The Governor-General opposed both appointments, but as you well know, Sir, he had no more power at that time in the Council, than I had. When by the death of Colonel Monson, in September, 1776, he became possessed of some share in the Government, of which he was the head, he proposed the recall of Mr. Bristow and Mr. Fowke, not from any personal objection to any part of their conduct. I have before observed, I again repeat it, and I call upon Mr. Francis to contradict me, if I assert an untruth, that the attention of every man from Calcutta to Dehly was fixed upon this act, as the criterion by which he was to judge, whether Mr. Hastings meant to retain or to give up the Government. Whether it was the intention of General Clavering, Colonel Monson, and Mr. Francis, to proclaim to every power in Indostan, the annihilation of Mr. Hastings's political influence, when they appointed Mr. Bristow and Mr. Fowke, is of no moment to enquire, but that such was the effect of it, is a point which I believe no man will dispute. Mr. Hastings thought their recall was necessary, to fix his own influence upon its proper footing,

ing, for the conduct of the public Service. The Court of Directors, however, thought otherwise. Without deigning to reply to the reasons assigned by Mr. Hastings for recalling Mr. Bristow and Mr. Fowke, they peremptorily ordered them to be restored. The order arrived in July, 1778, about the time we heard of the French war. Mr. Bristow had quitted India before the order arrived. Mr. Fowke was on the spot, but the execution of the order respecting him was suspended. Sir John Clavering died several months before this period.

Mr. Hastings opposed carrying the order into execution upon a ground, which in my opinion is unanswerable. That if it had been obeyed just then, the Country powers would have looked upon Mr. Hastings's immediate removal from the Government as certain, for at that period, Sir, it was asserted, as I can assure you upon my honor, that the reinstatement of Mess. Bristow and Fowke, were steps preparatory to Mr. Hastings's dismissal, and a letter of compliment and thanks from the Court of Directors to the late Sir John Clavering, was at that time translated into
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the Persian language, and circulated so high as in the camp of Nuzeph Cawn, near Dehly. Mr. Hastings, in acting as he did, was not influenced by resentment to Mr. Fowke, but merely wished to prevent an idea being circulated through India, that he was himself on the point of dismissal from his office. Here, Sir, I will readily join issue with you, that when the Court of Directors heard of this suspension of a positive order, they ought not again to have repeated it. If the reasons urged by Mr. Hastings, for delaying or declining to carry their orders into execution, did not appear satisfactory, they should have taken immediate steps for his dismissal: but while the Government of England thought proper to continue Mr. Hastings at the head of the Government in India, they should have allowed him the exercise of the same authority which his predecessors had invariably possessed, an authority inherent in every Government. I should be extremely glad to know, Sir, if you disapprove this necessary act of exertion in Mr. Hastings, in which he had no personal interest; upon what principle you can justify the Duke of Portland, who dispossessed two very honorable

honorable and able men of the posts of Secretaries to the Treasury, to make way for your brother, Mr. Richard Burke, and Mr. Sheridan. Colonel Monson avowed in Bengal, like a man, that no wise Government would employ men, of whose attachment they were not convinced. He looked upon General Clavering, Mr. Francis, and himself, as the Government at that moment; and he took away a trifling office in point of responsibility, tho' not trifling in emolument, from the late Mr. Playdel, and gave it to the brother-in-law of Mr. Francis.

An additional and a weighty reason determined Mr. Hastings not to reinstate Messrs. Bristow and Fowke.—He conceived, and with justice too I think, that every Native in India, from Calcutta to Dehly, would have deemed their restoration as immediately preparatory to his own removal. In this light I again affirm, it had been represented by the party attached to Mr. Francis. If Mr. Hastings did, at that disgraceful period, adopt measures of harshness or injustice to the rights of individuals, let those be blamed for it, who absolutely forced the Governor-General

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of Bengal, into a personal contest with two junior servants of the Company. You have attempted to impress the world with an opinion, that Mr. Hastings has avowed a principle of disobedience, and that his Agent, Major Scott, has so far adopted Mr. Hastings's sentiments, as to hold a similar language in England. My sentiments, however, upon this subject, are neither new nor extraordinary. I think the Governor-General and Council are undoubtedly bound to obey the orders of the Court of Directors. I must have been an idiot to have thought otherwise; but where they think obedience to their orders may be attended with dangerous consequences to the public, they certainly may dispense with them, assigning whoever their reasons for so doing, and if those reasons should not be satisfactory, dismissal from the service ought to be the consequence. I am astonished how so plain a case can be misunderstood? Did not your Chairman, General Richard Smith, when a Member of the Council in Bengal, avow, on the 25th of September, 1769, that he knew the proposition, which he then brought forward, was in direct opposition to the positive orders of the Court

Court of Directors, but that the situation of public affairs fully justified him, in proposing to open the Company's Treasury for Drafts upon England? Did he not upon another occasion say, that he would risk his life and his honor, rather than carry into execution orders which he thought incompatible with the welfare of the State,—that he knew, however, he was responsible for every deviation of that kind. Without such a latitude, how in the name of God, can a great Kingdom, at the distance of twelve thousand miles, from the superior state be governed. Orders highly proper may be issued here in January, but when they arrive in Bengal in October, circumstances may be so changed, as to render them impolitic. In short, Sir, it is for the abuse, and not for the proper use, of power, that men in high stations, at the distance of half the globe, should be punished. What was the substance of Mr. Hastings's arguments for recalling Mess. Bristow and Fowke originally? “I am of opinion those Gentle-
 “men were appointed to convince the Pow-
 “ers of Indostan of the annihilation of my
 “authority. Their recall alone can convince
 “them that any share of power in this Go-
 “vernment

"vernment has reverted to me." When the
 orders were repeated our situation was critical. War had been declared against France, and a large detachment was marching to Bombay. Mr. Hastings then observed,
 "The restoration of Mess. Bristow and Fowke
 "has attracted the attention of every Prince
 "in India. If they are restored, my dismissal
 "will be deemed certain. The letter from the
 "Court of Directors to the late Sir John Clavering, has been circulated even to Dehly,
 "as well as through our own Provinces.
 "While I am permitted to retain the Government, I must support the dignity of
 "my station as far as I can,—declaring that
 "no man can more earnestly wish for a final
 "decision than I do." It is remarkable, Sir, that the Directors do not, in the first disapprobation of Mr. Hastings's conduct, nor in the repetition of their orders respecting Mess. Bristow and Fowke, take the smallest notice of the arguments offered by Mr. Hastings in his own defence. But I should be exceedingly glad to hear any man, who has served in India, dispute the force or the propriety of them.

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Mahomed Reza Cawn's appointment stood precisely on the same ground: He had been made an object of party;—but I beg, Sir, you will be pleased to recollect, that this respectable Mussulman has repeatedly declared, that, to the justice, the impartiality, and the attention of Mr. Hastings, he was indebted for his fortune, his honour, and his life, at a time when he was accused by Nundcomar of the most flagrant crimes and enormities.

Mr. Bristow, as you know, has been lately appointed to the Residency of Oude, by Mr. Hastings. The necessity no longer existed of declining to carry the Company's orders into execution, and obedience to them in their fullest extent has taken place. I am very sorry therefore that any circumstance respecting that Gentleman is again brought forward. Mr. Bristow certainly did write a very intemperate letter to the Supreme Council of India, on the 1st of May, 1780, claiming, as a right, that office, which the Court of Directors had conferred upon him, and styling them in three several parts of the letter, "our Honorable Superiors," saying his claim was grounded on "the highest authorities,"

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&c.

&c. &c. You have remarked upon Major Scott's former evidence, who declared, that in his opinion Lord Clive would have sent any man a prisoner to England, who had written such a letter to the Board in his time, and you now say that your Committee finds nothing reprehensible in the letter, though it excited the warmest resentment of Mr. Hastings. How your friend, General Richard Smith, could subscribe to such an opinion, does, I confess, astonish me; no less so his acquiescence in the new and dangerous doctrine, which in your eagerness to criminate Mr. Hastings, you wish to inculcate. "That Mr. Bristow was not the servant of the Supreme Council, as Mr. Hastings hazards to call him, but their fellow servant."

When the honorable General was a member of the Government of Bengal, I believe no man saw in a stronger light than he did the necessity of supporting the dignity of it, in its fullest extent, nor did any man require a greater degree of subordination, obedience, and respect, from every inferior rank in the civil and military service. How would the General have bounced at the Board, if a civil
servant

servant had, in dictatorial terms, claimed an appointment as his right, because "our honorable superiors had conferred it upon him," &c. &c. Would not the General have said, "The dignity of this Government must be preserved. We are responsible to the Court of Directors for our conduct: To them we will explain our reasons for deviating from their orders; but we will not be dictated to, or called to an account by our own servants."

I am confident this would have been the General's remark upon the occasion. Did he not cause three Armenians to be seized and imprisoned in Oude? Did he not instigate the Council to send Mr. Bolts a prisoner to England; and for what? Because the stories they circulated through Indostan, tended to lessen the *necessary weight and influence of the Governor of Bengal*. Did he not procure the dismissal of a most worthy, respectable, and gallant officer, Major Graham, without a Court Martial, because that gentleman had made use of an expression, which was deemed disrespectful, in a letter he wrote to the General? An expression mild indeed compared to several in the letter of Mr. Bristow. I have a
very

very great respect and regard for Mr. Bristow. The business is now most happily adjusted—but as my name is again introduced, I trust Mr. Bristow will pardon me for saying, what every man who read that letter in India, said, that it was not written in such a style as the Supreme Council had usually been addressed in.

In short, Sir, the violence of contending parties, at the period these appointments were agitated, had tended so far to weaken the necessary power of the Government, that Mr. Hastings was left for two years in such a situation as I trust will not be the lot of any future Governor General. I must suppose, Sir, that there is as much integrity, ability and industry, in the Secret, as in the Select Committee; and yet how strangely different are your ideas as to the future regulation of the Government of India. You term a senior merchant in Bengal, the Fellow-Servant of the Governor-General.—The Lord Advocate of Scotland, on the other hand, judging, doubtless, that many of our misfortunes have resulted from the system which was so industriously pursued for three years, of reducing the authority of Mr. Hastings, proposes to confer the most des-

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potic power upon the Governor-General. If his ideas are carried too far, still I look upon his bill as being a complete confirmation of every thing Mr. Hastings has urged, as to the insufficiency of the power of the Governor-General, as far as the Lord Advocate's sentiments, and the sentiments of those with whom he has acted, can have weight with the public.

I am sorry to observe, Sir, that you have once more brought up the business of Nundcomar. It is impossible to reply to insinuations. I have again and again asserted, that whenever a charge is brought forward it shall be fully answered. All that I can now do, is to repeat what I have asserted before, that Mr. Hastings had no concern, either directly, or indirectly, in the apprehension, the prosecution, or the execution of Nundcomar. I confess I do not clearly understand your expression. "Nundcomar appears at the very time of this extraordinary prosecution a discoverer of some particulars of illicit gain, then charged upon Mr. Hastings, the Governor General." Nundcomar, Sir, made no discovery whatever, he accused Mr. Hastings,

Hastings of having accumulated millions of Rupees in about thirty months. The absurdity of the charge was palpable; it was fully enquired into, and proved to be false in every part! Why would you not favour the world with a few further particulars respecting this most notorious of all delinquents, Nundcomar. You must know that it was generally said in Calcutta, about the time of his execution, that he had made several very important discoveries. On the 4th of August, 1775, a servant of Nundcomar brought a paper to General Clavering. On the 5th the Raja was hanged. On the 6th the General ordered the paper to be translated. On the 14th he brought it to the Board, and said he thought it contained several particulars, which his Majesty's Ministers, and the Court of Directors, should be acquainted with. Some conversation ensued, and Mr. Hastings insisted upon the paper being produced to the Board. It was then read and entered in the Records. On the 16th Mr. Francis moved, that the paper should be burned by the hands of the common hangman, as a libel, and the copy of it expunged from the Records. Here the business ended, and I should hope, Sir, that
you

you will not in future insinuate any thing to the disadvantage of the Governor-General, upon the evidence of such a man as Nundcomar was. I again repeat, that a Committee was expressly appointed to examine into the charges brought against Mr. Hastings by the Raja, they had every means given them of investigating every particular most fully, and the enquiry ended, as your "direct charge of corruption," has ended, Nothing was found that reflected either upon the honor or the integrity of the Governor-General.

The next point which you have introduced into your Report, with a view to prejudice the House against Mr. Hastings, is an account of the resignation; and here, Sir, I confess my unwillingness to follow you. Two of the parties concerned in that mysterious business are no more: but your noble friend, Lord North, and the gentlemen who filled the two Chairs of the Direction, at the time this transaction happened are upon the spot, and are able to clear up every dubious circumstance in it. I will relate the affair as circumstantially as I can: Soon after the Supreme Council arrived, and had commenced their opposition

tion to every political measure of Mr. Hastings's government ; Mr. Maclean went to England, impowered by the Governor-General, to act as his Agent. His instructions were undoubtedly to endeavour to procure for Mr. Hastings, that support which he thought due to his station ; but if that support could not be procured, Mr. Hastings declared, very explicitly, that he did not wish to remain in the Government. His letters to his Majesty's Minister, and to the Court of Directors at that period, breathed the same sentiments exactly. The conversation alluded to, was of a similar nature :—In the course of a few months, however, the attacks upon Mr. Hastings became very personal ; it was roundly asserted, that there was no species of speculation of which he had not been guilty, and proofs were promised to be sent to England by the latter ships of 1775. Thus circumstanced, Mr. Hastings wrote to the Court of Directors, in the most explicit and positive terms, that painful as his situation was, and would be, he was determined to retain it until forcibly removed from it.

Now, Sir, as the instructions under which Mr. Maclean resigned the Government for
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Mr. Hastings, were dated in December, 1774; surely the Court of Directors ought to have regarded his positive declarations to them, in letters of subsequent dates, by three and six months, as of more force than loose paragraphs picked out of letters to Mr. Maclean, tho' in the hand-writing of Mr. Hastings, which contained simply this, "if I am not supported, I wish to give up, because any government is better than a divided one." However, Sir, the Committee of Directors, who examined Mr. Maclean's powers, were as you say of opinion, that they were full and sufficient,—a most extraordinary declaration from gentlemen, who had read letters of a later date from Mr. Hastings, notifying his determined resolution to remain in the Government, the several steps were taken to fill up the vacancy, but so great was the doubt of the legality of the act, that the parties concerned did never ask the opinion of Council upon it, though required so to do, in a general Court, by Governor Johnstone.

The news of this remarkable event arrived in India, to the general astonishment of all parties. Mr. Hastings disavowed having giv-

en any authority to Mr. Maclean to resign
 for him, but declared at the same time, that
 he would give up the Government, because he
 thought that gentleman had acted for his in-
 terest, to the best of his judgment. Now, Sir,
 came on the great difficulty in settling this bu-
 siness. It had never been intimated to Mr.
 Hastings that he was instantly to resign. Such
 an idea would have been too absurd for Mr.
 Maclean to come into, of course he meant to
 continue until the season for quitting Bengal.
 Sir John Clavering on the other hand had
 been informed by private letters, that he had
 succeeded to the Government. It was natu-
 ral for him to suppose, that if Mr. Hastings
 could keep the chair a day, he could keep it
 as long as he pleased, so that this very circum-
 stance rendered the resignation of no effect.
 It made it, in fact, an agreement which re-
 quired Mr. Hastings's consent before it could
 be complete, and such undoubtedly it was. I
 pass over the subsequent events in Bengal.
 Both parties made their representations to
 England. Mr. Hastings called loudly upon
 the Chairman of the Court of Directors, to
 publish to the world, what the powers were
 which had been produced by Mr. Maclean.

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He wrote in as strong a style of complaint to his Majesty's Minister. These letters were dispatched previous to the death of Sir John Clavering. See, Sir, in what a dilemma you are involved. If you mean to insinuate that Mr. Maclean was really possessed of full powers to resign for Mr. Hastings, that he made use of those powers when he saw Mr. Hastings on the point of being dismissed from the service, that his Majesty's Ministers, and the Court of Directors were, and still are, fully satisfied of the sufficiency of those powers; what excuse can you make for the conduct of your new friend, Lord North? That noble Lord, since the period of this pretended resignation, has twice presumed to come forward to Parliament, to propose a man to fill the high and important office of Governor-General of Bengal, who has dared, by your account, to practise such a deceit upon the nation, as no punishment could be too severe for. I did hope, Sir, that this transaction would not have been revived at so great a distance of time; since you however have revived it, why will you not call upon such of the parties now in England, as have seen the powers which Mr. Maclean produced? Lord North was the Minister

Minister when the resignation took place. He was the Minister when Mr. Hastings denied the authority under which it had been made. He was the Minister when Mr. Hastings called for the powers to be produced to the world, under which his agent had acted ; and in the two following years, his Lordship proposed that Mr. Hastings should be appointed Governor-General of Bengal. Can we, Sir, have a stronger confirmation of Lord North's sentiments of Mr. Hastings's conduct than he has given ? Would he have proposed a man to fill the first office in India, who was so far wanting in honor as to deny or to explain away, powers he had once given. There was a time when the argument I now use would have had less weight with you. There was a time, if I mistake not, when you would yourself have impeached the noble Lord ; but at present, I presume, his Lordship's sentiments of a transaction, which I am sorry to dwell so long upon, will have some weight with you.

I have so great an opinion of the honor of the noble Lord, that I am convinced no consideration upon earth would have induced him to propose Mr. Hastings, a second and a third time

time for the Government of Bengal, in a British House of Commons, had he not been fully satisfied of the propriety of his conduct, as well in the business of the resignation, as in every act of his government, to the year 1781.

In short, Sir, you ought not to have mentioned a syllable about the resignation; or if you had entered upon the subject, common justice required that you should have examined as many of the parties who were concerned in that transaction as are now in England. Some of them are no more,—and

“ Let no renew'd hostilities invade,

“ The peaceful grave's inviolable shade.”

If Mr. Maclean was the Agent of the Nabob of Arcot, Mr. William Burke is the Agent of the Raja of Tanjore,

Now, Sir, I must inform you, that the very curious reasons which you have assigned for Mr. Maclean's conduct are totally without foundation. Every idea of removing Mr. Hastings at the India-House was at an end. He had gained a complete victory there, against the whole force of a Government, whose interest was at that period extremely powerful; but the idea was, that his Majesty's Ministers were

were determined to carry in parliament what they could not effect in the city. I am convinced, Sir, if the compromise had not taken place, and the affairs of India had been agitated in the House of Commons, in the winter of 1776, Mr. Hastings would have had your warmest support, for at that period he was in the opinion of your party, an able, honest, great, and injured man, nor were his demerits discovered by you, until Lord North shewed an inclination to support him. In the first Report of your Select Committee, you have published a copy of Mr. Hastings's public letter to the Chairman of the Court of Directors, which he wrote when he did me the honor to nominate me his Agent. That letter contains the following paragraph, " It is material to
 " me to make one observation, that in my in-
 " structions to Major Scott, I have particu-
 " larly provided, that I will suffer no person
 " whatever to perform any act in my name,
 " that shall be construed to imply a resigna-
 " tion of my authority; protesting against
 " the exercise of so dangerous a power, from
 " its having been assumed upon a former oc-
 " casion, without being warranted by my
 " consent, or by any previous instructions,
 " that

“ that could bear the most distant tendency
 “ to such a measure.”

Would Mr. Hastings dare to provoke an enquiry in the manner he has done, if he had ever empowered any man to make a surrender of his Government for him, or would the Court of Directors have submitted to such a notification, provided they had believed that the transaction of 1776, was a legal, valid resignation, and complete in all its parts.

I have now, Sir, gone through the insinuations contained against Mr. Hastings, in your Ninth Report. There is certainly no direct, (or implied) charge of corruption; and tho' you are pledged to God, to the House of Commons, and your country, to prove the Governor-General a most notorious delinquent; you have as yet produced not a single instance of his corruption in office. It is true you have laboured hard to prove, that an opium contract has been given to Mr. Stephen Sullivan upon terms not so advantageous as probably it might have been concluded upon.

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It happens unfortunately too, that this gentleman is the son of a Director. As the Appendix to your Report is not yet published, I have not read Mr. Hastings's reasons for disposing of the opium contract without putting it up to public auction: I dare say they are of some force; but what does the charge amount to,—that the gentleman, who has been eight times Chairman of the East-India Company, has served that Company abroad and at home above fifty years, is possessed of so small a fortune, that he procured for his only son, an appointment in the Civil Service at Madras; that Mr. Stephen Sullivan went at the end of three years to Bengal; that Mr. Hastings, who had been for many years in habits of intimacy and friendship with the father, appointed him his Private Secretary and Judge Advocate-General; and that he afterwards gave him a contract, which has been a profitable contract to every man who has held it. I believe, Sir, no man who has filled so great an office for so many years as Mr. Hastings has done, can be clearer from the charge of wasting the public money for private purposes, than he is: to mere insinuations I shall oppose positive facts. Look around you, and tell

tell me how many of the gentlemen, who have arrived in England in the course of the twelve years, that Mr. Hastings has been Governor of Bengal, were of his family, or particularly patronized by him. With truth and justice I can say, that as Mr. Hastings's fortune is moderate in the extreme, for his station, so have the views and expectations of those attached to him been moderate. I desire you will point out a single person, either of his family, or intimately connected with, or dependent upon him, who has returned from Bengal with a large fortune or a dubious character. "The
 " few who are called his friends cannot rise
 " above an humble mediocrity, and the great-
 " est part are now soliciting to return to India
 " for bread."

If the Governor-General has wasted the public Treasure for private purposes, surely it will not be difficult to fix upon some of those individuals, who have benefited by an unauthorized exertion of the power of patronage. Produce a single instance of a gentleman, now in England, who accumulated a fortune in the course of the twelve years Mr. Hastings has been at the head of the Government of Bengal,

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by enjoying improper advantages at the Company's expence, or in your own words, " by a " waste of public treasure for private purposes," and you will go further to establish one species of delinquency against Mr. Hastings, than by fifty insinuations, unsupported by facts. That advantagious contracts have been given away in Bengal, as well as in other countries, cannot be doubted, but to every declaration, that rapid fortunes are continually made in Bengal, I shall oppose a positive fact. The Company's civil servants are some of them of above twenty-six years standing in the country, many above twenty, and a great number indeed of more than fifteen years length of service. The Company's military servants are of equal, if not of longer standing, and I refer you, Sir, to the evidence of your reports to prove, that almost all the gentlemen who have been examined by you, have served the Company abroad from fifteen to twenty years. It was at the time of the acquisition of the Duanne, before Mr. Hastings's return to Bengal, that those rapid and enormous fortunes were acquired in a short period; and as you well know, your honorable friend, General Richard Smith, was but four years

years and seven months in Bengal. It would be impertinent in me to presume to guess at the amount of his acquisitions; but certainly we have had no instances, during Mr. Hastings's administration, of rapid and enormous fortunes being acquired, though by the extension of our influence to Oude, the means of providing for individuals has been considerably increased.

You have searched the Company's Records with industry; you have had the additional advantage of conversing with every man who has returned from India; and what have you discovered? that an improvident contract, as you state it, has been granted to Mr. Stephen Sullivan—This is “The waste of public Treasure for private Purposes.”—Have *you*, Sir, been as moderate in exercising the power of patronage as Mr. Hastings has proved himself to be, in a difficult and trying situation?—How many of the name of Burke, are now fed at the public expence—your relation, who first acquired, and afterwards lost a fortune, in the Alley, made two journeys over land to India, and appeared here as the avowed agent of the Raja of Tanjore, was,
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soon after the change of the Ministry, in March, 1782, nominated to the new and useless office of Receiver of the Ballances due from the East-India Company to the Crown, on account of the Regiments serving in India; or, in other words, Paymaster of his Majesty's Forces in India: but I decline the invidious task of stating to what an extent you have exercised the power of providing for your relations at the public expence, during the short time your party has been in office.—It is sufficient for me to assert, that Mr. Hastings, and his friends, are as free from the vice of rapacity, as from the folly of extravagance.

You have said, Sir, that Mr. Hastings, when he first heard of the Resignation, had recourse to one of those unlook'd for and hardy measures which characterize the whole of his administration.

Was this meant as a compliment or a reflection? it was, I grant you, a hardy measure to march a detachment across India—but it succeeded——It was a hardy measure to invade the country of Madjee Sindia—but it produced

produced an immediate peace with the only active Member of the Maratta state, and a general peace with the Marattas has been the consequence.—It was a hardy measure, and big with personal responsibility, to draw off the Maratta army at Cuttack, by advancing Chimnaje Boolla a Sum of money, without the consent of Mr. Francis, but the East-India Company has felt the good effects of it.—It was a hardy measure to propose embarking six hundred and forty Europeans, with a large supply of treasure, to relieve Madras, at the moment that the navigation was interdicted, on account of the dangers that attended it.—But the necessity for exertion was pressing, and the Measure succeeded.—The Responsibility of this meritorious exertion was thrown upon Mr. Hastings, and Sir Eyre Coote.—These hardy measures have secured to the Governor-General, the applause of his countrymen, and have saved our empire in India from destruction.

I must confess, Sir, it does appear something extraordinary, that Mr. Hastings should be censured by Mr. Burke, for betraying signs of an impatient, independent, and overbearing

bearing temper, and for presuming to avow a principle of disobedience to superior authority. Does such an accusation come with a good grace from a gentleman, who in one instance has acted in direct opposition to the sense of the late and present Law-officers of the Crown; and in another, has set his judgment up in opposition to the solemn determination of the great Council of the Nation? and who, having satisfied his own mind of the propriety of an alteration in a depending Bill, deemed it useless and unnecessary to communicate his discoveries to the House of Commons? If these are instances of amiable weakness, and are not to be censured on that account, why, Sir, will you not make some allowance for the difficulties of Mr. Hastings's former situation.

Were I to adopt your mode of reasoning; were I to attribute every action of your life to the worst possible motive, how easy would it be, to say, that when you took upon yourself to restore two men to offices, from which they had been removed on suspicion of delinquency, you meant to obstruct the course of public justice, or that when you examined
evidence

evidence without doors to prove the propriety of altering a bill which had been debated clause by clause in a Committee of the House of Commons; and when you made such alterations upon evidence you thought of no moment to communicate, you shewed a stronger instance of an independent spirit, than Mr. Hastings has ever displayed.

I trust I am warranted in supposing that every part of the Ninth Report was written by yourself. Of this fact there will, I believe be no doubt; but the respectable Committee, of which you are a member, having adopted the reasoning contained in it, perhaps some apology may be necessary to the gentlemen who attended when the Report was read, as well as to Mr. Burke. I assure you, Sir, I mean to take no improper liberty with them, or with you; and if in defending Mr. Hastings from the insinuations which are contained against him in the Ninth Report, I have been hurried into any disrespectful expressions, I very sincerely acknowledge my error, and crave pardon of you, and the Committee.

I well know the deference and respect which is due from an humble individual, like myself, to a gentleman who possesses so eminent a rank in the literary world, who fills so high an office in the state, and is admitted to the Councils of our most gracious Sovereign ; if in any expression in this letter, I shall appear to have lost sight of that deference and respect, I trust you will attribute it to my firm conviction of the injustice which has been done to Mr. Hastings's character, in the Ninth Report of the Select Committee.

I have the honor to be,

S I R,

Your most obedient humble servant,

J. S.

P. S.

P. S. In the concluding paragraphs of your Report, you observe that many material papers, lately arrived from India, have been laid before your Committee,—I presume you mean the dispatches received by the Lively: You appear, however, to have selected the resolution of the Council-General relative to the investment, as the only document necessary to be brought forward at present; and even this paper is consigned to an Appendix, *not yet published*.—Your Report is brought forward at so late a period of the sessions professedly, *in order to enable the House to adopt the most proper means for regulating the British Government in India*.:—If this was your intention in bringing the Report forward on the 13th of June, surely, Sir, it would have been candid to have said something further relative to the Lively's dispatches. The idea without doors is, that they contain undoubted proofs of the spirited and successful exertions of the Governor General and Council, and give the Company a well-founded hope of their being able to surmount the astonishing difficulties and embarrassments in which every Presidency has been involved. Not a hint of this kind, however, is to be found in your Report, and the only

G

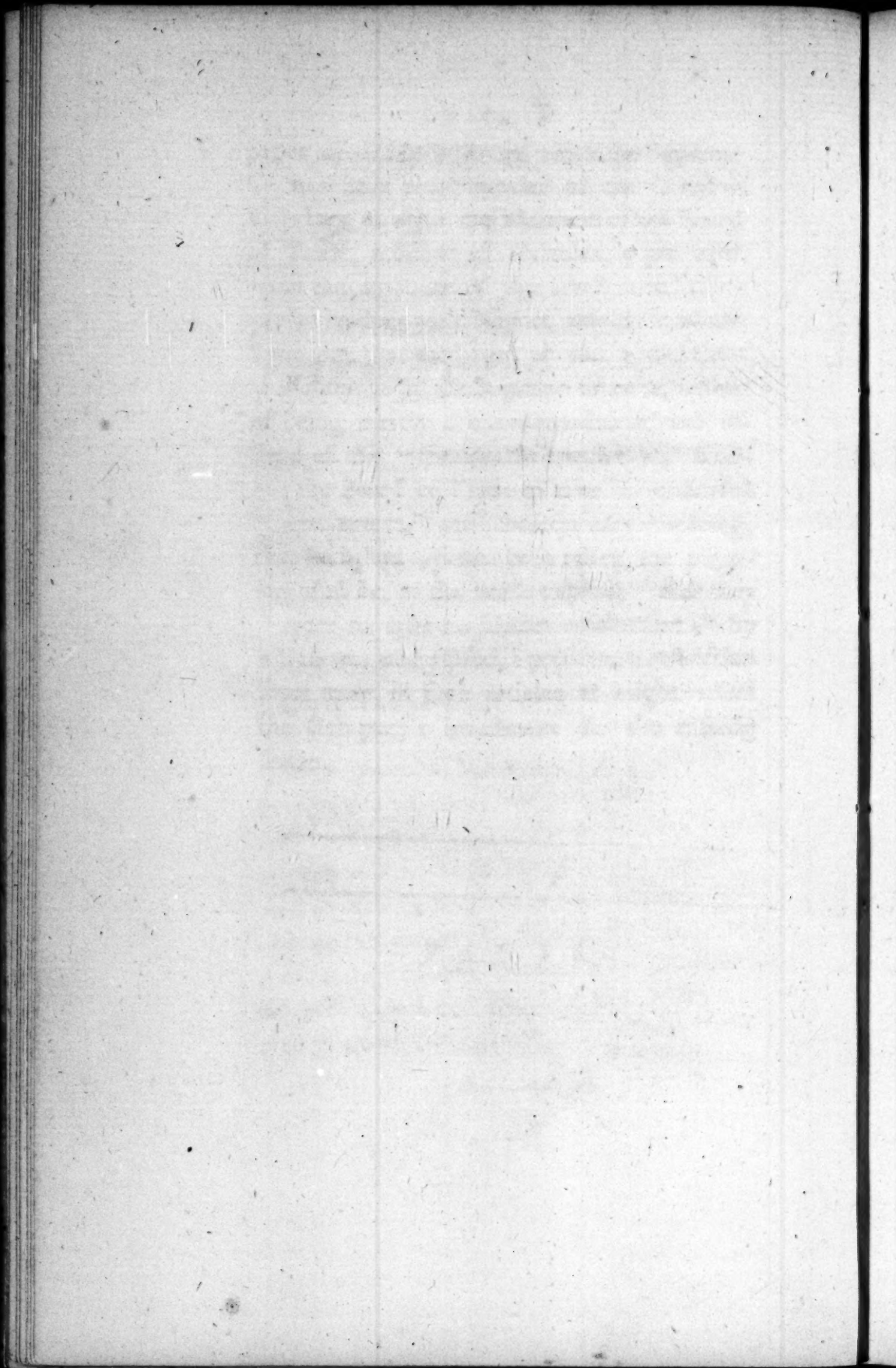
paper

paper alluded to is that in which the Supreme Council have recommended to the Court of Directors, to allow the Members of the Board of Trade, resident in Calcutta, 5 per cent. upon the amounts of the investment. Any person reading your Report, would conclude, I am sure, that the grant of the 5 per Cent. was absolute by the Supreme Council, instead of being merely a recommendation, and instead of this "memorable transaction," binding the Board of Trade to take no unlawful "emolument," and consequently implying, that such had hitherto been taken, the meaning must be, as the words express, "that they were to take no further emolument;" by which was understood, I presume, a restriction from trade, in such articles as might affect the Company's investment for the ensuing season.

F I N I S.



1870
The first of the year was a very
successful one for the
company. The sales were
very good and the
profits were high.
The second of the year was
also a very successful one.
The sales were very good
and the profits were high.
The third of the year was
also a very successful one.
The sales were very good
and the profits were high.
The fourth of the year was
also a very successful one.
The sales were very good
and the profits were high.
The fifth of the year was
also a very successful one.
The sales were very good
and the profits were high.
The sixth of the year was
also a very successful one.
The sales were very good
and the profits were high.
The seventh of the year was
also a very successful one.
The sales were very good
and the profits were high.
The eighth of the year was
also a very successful one.
The sales were very good
and the profits were high.
The ninth of the year was
also a very successful one.
The sales were very good
and the profits were high.
The tenth of the year was
also a very successful one.
The sales were very good
and the profits were high.



A
S E C O N D
L E T T E R
T O T H E
Rt. Hon. EDMUND BURKE,
In Reply to the Insinuations
I N T H E
N I N T H R E P O R T
O F T H E
S E L E C T C O M M I T T E E,
Which affect the Character of Mr. HASTINGS.

By J. S.

L O N D O N:
Printed by GILBERT and PLUMMER, No. 13,
Cree-church-lane, Leadenhall-street.

M D C C L X X X I I I.

SECOND

M. F. T. E. R.

TO THE

RE HON. EDMUND BURKE,

In Reply to the Introduction

IN THE

WILM REPORT



SELECT COMMITTEE

Which also the Chairman of the Committee

By J. S.

London

Printed by G. and J. W. Smith, No. 13

Old Bailey, London

M. DCCCXXXIII

TO THE
Right Hon. EDMUND BURKE.

London, 9th July, 1783.

S I R,

W H E N I did myself the honor to address you on the 19th of June, the Appendix to the Ninth Report was not published. In candour and fairness both should have appeared at the same moment, because it is possible that very different conclusions may be drawn by different men, from the same facts. If I presumed to animadvert with some degree of freedom upon the insinuations contained in the Ninth Report, and to complain of the gross injustice which has been done to the Governor-General's character, I shall be less able to restrain myself, when I proceed to the elucidation of such parts of his conduct, as the documents which you have published in the Appendix will afford me an opportunity of justifying.

On

On the 13th of June, a Report from a Committee of the House of Commons, professedly compiled by Mr. Burke, is presented. This Report is made, "in order to enable the House to adopt the most proper means for regulating the British Government in India."

It is drawn up with great art and ability, and may not unaptly be styled a Critical Review, palpably calculated to catch the passions and prejudices of the moment. The Appendix from whence I mean to refute every syllable that affects Mr. Hastings, is kept back until the fifth of July, twenty-two days from the delivery of the Report. If you should say, that its bulk prevented an earlier publication, I must beg leave to observe to you, Sir, that common justice should have induced you to have produced the Report and the Appendix at the same time.—Mr. Fox, one day informs the House, after passing a warm, if not a just, eulogium upon the ability, the integrity, and the labours of the Select Committee, that a Report of very great importance is soon to be presented, and then the affairs of India will be fully discussed. I do

not



not enquire into Mr. Fox's motives for postponing the consideration of India affairs to another session, and thus playing with an empire, although the Governor-General had so spiritedly called upon Ministers, either to remove or to confirm him, nor do I seek to know what arguments induced you to sit silent for the first time since my arrival in England, when Bengal, or Mr. Hastings, was the subject of discussion in the House of Commons. I am convinced that His Majesty's Ministers have an high opinion both of the ability and the integrity of Mr. Hastings, Can any reasonable man in this kingdom believe, that a single Member of the Cabinet really thinks Mr. Hastings the author of the calamities of India, that he has acted contrary to the honour and policy of the nation, or brought enormous expences on the East India Company? If one of his Majesty's Ministers entertained such an opinion, would he have consented to postpone the consideration of India business for so many months, when all parties agree, that Bengal is the last great stake left to this divided, unhappy country?

In

In my last letter I stated the case of Mr. Bristow, but I omitted to take notice of a very severe and a very unjust insinuation contained in the course of your strictures upon it. In truth, I knew it to be so unfounded, that it made not the smallest impression upon me, though upon further consideration it will be absolutely necessary to reply to it, lest the charge may have weight with the world.

After stating the proceedings in Council relative to the restoration of Mr. Bristow, you say, " Mr. Hastings proposed, as a compromise, a division of the object in question, " one half was to be surrendered to the authority of the Court of Directors, the other " was reserved for his dignity." And then you go on to state, " That Mr. Bristow ought " to have been appointed to the pecuniary " trust, and Mr. Middleton to the Residency, provided Mr. Hastings wished to avoid " all suspicion with respect to the purity of " his Motives."

I am truly sorry, Sir, that in your eagerness to criminate Mr. Hastings, you should entirely forget what were the orders of the Court
of

of Directors relative to Mr. Bristow, upon which the proceedings professedly were founded. In 1775, Mr. Bristow was appointed *Resident at Oude*. In 1777, he was removed. In 1779, he was restored to *the Residency* by the Court of Directors. In 1780, Mr. Francis moves, in consequence that he shall be nominated to *the Residency*. Sir Eyre Coote and Mr. Wheler agree, the former however expressing his disapprobation of carrying into execution the orders of the Court of Directors at that particular moment, if they could have been avoided, and expressing his readiness to adopt any measure Mr. Hastings could propose, for supporting the *necessary influence* of his station.

Mr. Bristow was put in possession of the *Residency of Oude*, in conformity to the order of the Court of Directors; the other appointment was no part of the office to which Mr. Bristow had originally been nominated, and might be made totally distinct, without *an infringement of their orders*; but had Mr. Middleton been appointed public Resident, and Mr. Bristow to the office of Paymaster of the Troops, and Collector of the Tuncaws; how would the Court of Di-

rectors orders have been carried into execution at all?

Nothing can be more ungenerous and unjust than your reflections upon this affair. The attention of the Legislature, and of the people of England, is now however so strongly drawn to the cause of the Governor-General, that it is no longer in your power to injure him by insinuations. If you mean to prove, or to attempt to prove, Mr. Hastings a notorious delinquent, which you are pledged to do, you must produce a specific charge to which I will give a specific, and I dare say a satisfactory reply: if Mr. Hastings's character for integrity is not too firmly fixed, to be affected by this part of your report, I will bring a proof positive, that he had no private, no interested views to gratify, when he proposed sending Mr. Middleton to Oude, and I could wish, Sir, that you had thought proper to insert the following letter, either in your Report, or in your Appendix. It was received on the 27th of May, at the India-House.

In September, 1782, Mr. Hastings thought he had reason to be dissatisfied with the public conduct

conduct of Mr. Middleton, on these grounds,
 that he had not exerted himself to procure the
 payment of the balances, due from the Vizier
 to the Company, and that he had neglected
 to transmit some material information to the
 Board, after stating these points in a letter to
 the Supreme Council, dated on the Ganges,
 22d of September, 1782. Mr. Hastings adds,
 "The obstacle which opposed itself to the
 " nomination of Mr. Bristow, to the Resident-
 " ship of Oude, no longer exists. I have the
 " pleasure of finding, upon the most impartial
 " enquiry, that the conduct of Mr. Bristow,
 " during his former Residency at the Court
 " of the Vizier, has been proper and attentive.
 " I accordingly wish him to succeed to the
 " present Resident, provided the Vizier has
 " no reasonable objection to his appointment.

" I have now great satisfaction in inform-
 " ing you, that my letter to the acting Mini-
 " ster of the Vizier has had the happiest
 " effects in realizing the heavy balances due
 " to the Company from Oude, and it is said
 " that the present Resident, and his Deputy,
 " are brought to a proper sense of their duty
 " to the Company.

B

" But

“ But as in every act of my administration of
 “ the affairs of the Company, I never had an
 “ object in view, but their permanent inter-
 “ est, as far as my judgment could direct
 “ me, and as prejudice in favor of those in
 “ whom I have confided, or against those who
 “ oppose me, vanish in my mind, when the
 “ good of the service requires it ; I now wish
 “ you to recall Mr. Middleton from the
 “ Court of the Vizier, and to appoint Mr.
 “ Bristow in his room.

“ My weak state of health obliges me to
 “ dictate this letter from my bed, yet I can-
 “ not but add, that your instructions to Mr.
 “ Bristow should be strong and positive upon
 “ these points ; 1st. That he should always
 “ shew every possible respect to the Vizier
 “ and his family. 2dly, That he should
 “ take the most effectual steps for securing
 “ all that may remain unpaid of the Com-
 “ pany's balances ; 3dly, That the security
 “ and internal peace of the Vizier's domi-
 “ nions, and the happiness of the people,
 “ should be constantly in his view, and that
 “ he should communicate fully and freely
 “ with this Government upon these subjects.”

I should

I should hope, Sir, after reading this extract you will be of opinion, that it is not possible to impute the Governor-General's conduct to base or sinister views, and here I shall drop the subject.

From your statement of the Ophium monopoly in the Reports, I was inclined to believe that I had been hitherto misinformed relative to that branch of the Company's Revenues, but upon reading the papers published in the Appendix, I find, as I always understood, that Mr. Hastings is clearly entitled to the merit of having brought the amount of this advantageous monopoly to the credit of the Company.

Your honorable friend, General Richard Smith, will undoubtedly recollect, that while he was a Member of the Administration in Bengal, the Ophium of the Revenue of Bahar was avowedly a monopoly for the emolument of individuals. It had been so during the Government of Lord Clive and Mr. Verelst, and continued on the same footing until Mr. Hastings succeeded to the chair.

In

In the first year of his Government, he stipulated that 800 chests should be prepared on the Company's account, which was in fact adding two lacks of rupees to the Revenues of that year.

In the second year the whole of the Ophium in the Province of Bahar was provided on the Company's account, for which they paid 320 rupees a chest, and might probably gain five lacks by the sale of it.

And here, Sir, I must observe, that you do not state the transaction fairly, or truly, when you say, " at length it engaged the attention of the Company." The fact is, that it had *previously* engaged the *attention* of Mr. Hastings, to whom the credit is certainly due of having turned the monopoly of Ophium to the advantages of his employers; a circumstance, which from design or accident, you have omitted to mention. It did not in fact engage the attention of the Directors 'till December, 1775, and all they then say upon it is, that it shall be under the management of the Supreme Council,

After

After the arrival of General Clavering, Colonel Monson, and Mr. Francis, the Supreme Council determined that the Opium should be provided by contract, and all persons were invited by an advertisement to send in proposals.—There were twelve candidates for the contract; Mr. Griffiths, whose proposals were the lowest obtained, and held it two years; it was then given for three years to Mr. Mackenzie, unless the Directors should in the mean time order the monopoly to be abolished.—But you observe, “that the contract was not put up to public auction, as it ought to have been, for which the Governor General and Council were severely reprimanded.”

The words of the Directors are, “that the contract should have been put up to auction, or *previous enquiries* should have been made, necessary to guide your judgment therein, and to warrant the measure, we therefore must disapprove your conduct on that occasion.” I would ask any reasonable man, whether the paragraph I have quoted should be called a *severe reprimand*?—

What

What proof have you given, that previous enquiries were not made ? The fact is, that the Board, before they concluded Mr. Griffiths's contract in 1775, had made every necessary *previous enquiry* to guide their judgement, and the information of the Patna Council being on Record, a further enquiry in 1777 was unnecessary.

When Mr. Mackenzie's contract was nearly expired, he renewed it for another year, and then it was granted to Mr. Stephen Sullivan for four years, the precise time Mr. Mackenzie had held it, and upon the same terms.

I shall forbear, Sir, to remark upon the very extraordinary style and manner in which you detail this business, so different from any thing that has hitherto appeared in a parliamentary report, but I will endeavour to relate plain matters of fact in plain and intelligible language.

From 1765 to 1772, the Ophium of the province of Bahar had been a monopoly in the hands of individuals. If it was wrong to permit

permit the Company's servants to enjoy so great an advantage at the expence of their employers, your honourable friend, General Smith, having been a part of the time a member of the administration, is *Particeps Criminis*; but in those days, the rage of Reformation had not seized him. In 1772, Mr. Hastings caused the Company to participate in this monopoly.—Their share that year was 800 chefts.—In 1773, the Company became possessed of the whole at 320 Rupees a cheft, not in consequence of orders from England, but by Mr. Hastings's attention to the interests of his constituents, and for this, amongst other œconomical arrangements, he received the thanks of the Court of Directors.

In 1775, the Supreme Council determined to dispose of the Ophium contract to the lowest bidder.—There were twelve competitors, and Mr. Griffiths's proposals being the most favorable for the Company were accepted.—It is fair to presume that the terms, which he took the contract upon, were very low; that they were highly advantageous to the Company is clear, and General Clavering, and Mr. Francis thought so, or they would not.

not have consented to Mr. Mackenzie's holding the contract for three years, upon almost similar terms, without its being again put up to public auction,—for you will be pleased to observe, Sir, that neither General Clavering nor Mr. Francis, made such a proposition.—This is a fact, which I beg you will attend to.—When Mr. Mackenzie's term was expired, he was permitted to hold the contract for one year longer, and then it was given for four years to Mr. Stephen Sullivan, upon the same terms that Mr. Mackenzie had held it—terms something lower than the lowest that had been offered by twelve different competitors, when it was put up to public auction in 1775.—Let any honest man read this plain state of facts, and then declare upon his honor, if it is such a transaction as Mr. Hastings need to blush at.—

If Sir John Clavering (of whose integrity and honor I ever had the highest opinion) coincided in opinion with Mr. Hastings, that the Opium contract, upon the terms which Mr. Griffiths had held it, was placed upon a very fair and equitable footing, if he consented to permit Mr. Mackenzie to hold it

for

for three years, with a trifling alteration in favor of the company, and one proviso, *unless the monopoly itself should be abolished*, within that period, if the only objection stated by the Directors to Mr. Mackenzie's contract was, that it had not been put up to public auction, nor *previous enquiries* made, if Mr. Hastings has but merely continued a contract to Mr. Sullivan, upon terms which General Clavering and Mr. Francis approved of, why in God's Name, have you purposely involved the affair in so much obscurity? — Ridicule in one paragraph, insinuation in a second, and misrepresentation in a third.

You say, " This Monopoly continuing and gathering strength, through a succession of Contractors, and being probably a most lucrative dealing, it grew to be every day a greater object of competition. The Council of Patna endeavoured to recover the contract, or at least the agency, by the most inviting terms; and in this eager

* The Court of Directors did not recollect, perhaps, when they made this observation, how fully the subject had been considered in 1775, which precluded the necessity of a further enquiry, in the opinion both of Mr. Hastings and General Clavering.

C

" state

“ state of mutual complaint and competition
 “ between private men and public bodies,
 “ things continued until the arrival of Mr.
 “ Stephen Sullivan, son of Mr. Sullivan,
 “ Chairman of the East-India Company,
 “ which soon put an end to all strife and
 “ emulation.”

I really, Sir, do not know how to reply to this Paragraph.—There is such a strange misrepresentation of facts throughout.—In the first place, the offer from the Council of Patna was made *in March, 1775*, in reply to a letter to them from the Supreme Council, requiring their opinion *as to the best mode of providing Ophium in future*.—The offer was not accepted, as Mr. Griffiths's terms were much more favorable for the Company, and I can find no subsequent application from the Patna Council.—The Board of Trade, which is an Imperium in Imperio, had applied to the Directors to be allowed the management of the Ophium as a commercial concern; but since the year 1777, they appear not to have written respecting the Contract;—so that “ the eager state of mutual complaint, “ competition,” to which you allude; but
 of

of which I can find no trace in the Appendix must have been from March, 1775, to August, 1777, *above three years prior to Mr. Stephen Sullivan's arrival in Bengal.*—How can you, Sir, attempt to mislead the public in so gross a manner?—Would not any man of common understanding suppose from reading your account, that the Ophium contract had been a continued object of contention, from 1775, till Mr. Sullivan got it in 1781? Yet I cannot find a line upon the subject in your Appendix, between the months of July, 1777, when the contract was granted to Mr. Mackenzie, and April, 1781, when it was given to Mr. Sullivan—A period of almost four years.—

Mr. Francis observed, when the Ophium contract was first under consideration, on the 23d of May, 1775, “*I should think it unadvisable to engage on very low terms with any contractor.*” Here Mr. Francis speaks as every sensible man will speak, who thinks upon the subject. But if this Ophium contract was to be put up annually to public auction, and given to the lowest bidder, as you assert it ought to be, it may fall into the hands, as Mr. Francis says,

says, "*of persons who have the power to indemnify themselves at any rate; and from whom the Ryots and Farmers would in fact have no appeal.*"

I know your regard for Mr. Francis; it gives me therefore much pleasure to quote what you deem so respectable an authority. I find also in your Appendix an unanswerable argument in favour of the Opium Contract being extended beyond the period of one or two years; Mr. Griffiths says (and a contractor may speak truth sometimes) "*As the extent and improvement of the poppy cultivation wholly depends on the measures adopted by the contractor, it is unquestionably his interest (when his engagements are for a long term) to conduct himself with that justice and lenity, which is the only mode of conciliating the good opinion of the Ryots, and thereby encouraging them to pay their whole and unremitted attention to the produce of their lands; they will then, and not till then, heartily join with the contractor, in extending the cultivation, and readily adopt any mode which he may point out for the improvement thereof.—These happy effects can never be experienced, while the engagements*"

“ments are limited to *one year*; the contractor,
 “*having no future object*, finds it necessary to
 “exact *his utmost dues* from the Ryot, who, as
 “he expects a new master, his whole attention
 “is consequently bent on taking advantage of
 “the new and old contractors, &c. &c.”

Mr. Griffiths was permitted to hold the contract a second year.

Mr. Mackenzie, the next contractor, says,
 “The Ryots, from every information I have
 “been able to obtain, suffer great hardships
 “and distress from a frequent change of con-
 “tractors; your granting me the exclusive
 “privilege of manufacturing the Ophium for
 “a term of years, will make it *my interest to*
 “*cherish the Inhabitants*, and experience will
 “teach them to confide in me, and encourage
 “them to apply themselves to the culture of
 “their lands with chearfulness and alacrity.
 “These desirable effects can never be felt,
 “whilst they have a *yearly change of masters*, as
 “the contractor, in that case, confines his
 “study and attention solely to temporary ad-
 “vantages, without any view to future im-
 “provement, or the cultivation of this valu-
 “able branch of revenue.”

I do

I do not enquire into the motives which induced Mr. Griffiths and Mr. Mackenzie to offer these Remarks to the Board, but they are founded in reason, truth, and common sense.

I have now explained the nature of the contract granted to Mr. Sullivan. I will not pretend to say, that I believe it to be, even upon the present fair and equitable terms, a disadvantageous contract; but I beg you to consider, Sir, that if Mr. Hastings had not interfered in behalf of the East-India Company, the monopoly might to this moment have continued in the hands of the Patna Factory.—Some person must hold it, and as Mr. Sullivan has it upon lower terms than the lowest of the twelve competitors, who gave in proposals in the year 1775, I do not see how it can reasonably be supposed, that any other person could have taken it upon more favorable terms for the Company.—I cannot however help observing the stress you lay upon Mr. Higginson's evidence;—"That it was generally believed in Calcutta, Mr. Sullivan had sold the contract, tho' he could not specify for what sum."—Adopting this doubtful evidence, as
if

if it were positive to the fact you add, " From
 " this transaction it appears clearly, that the
 " contract was given to Mr. Sullivan, for no
 " other purpose than to supply him with a
 " sum of money."—

Is this reasoning fair, just, or candid?
 You have no proof that Mr. Sullivan has dis-
 posed of his contract, and if you had, you
 are ignorant of his motives for the disposal of
 it.—The point to consider is this, was the
 contract given to him upon such terms as
 to make the transaction appear to be a job?
 Certainly not.—What would your Chairman
 think of me, if I were to entertain the Com-
 mittee, by telling them, that when I had the
 honor to serve under General Smith's com-
 mand, as a Subaltern Officer in Bengal, the
 Provinces of Corah and Allahabad were called
 the Commander in Chief's estate, and that it
 was generally believed he rented those Pro-
 vinces from Shaw Allum; and further, that
 he paid him the Bengal Tribute in Vizieri
 Rupees?—Yet you might certainly receive
 this evidence from me, with as much pro-
 priety as you did Mr. Higginson's, relative
 to the sale of Mr. Sullivan's contract.—The
 transactions

transactions I allude to, were as much the subject of public conversation and general belief, as that to which you examined Mr. Higginson.

I do not pledge myself to prove the fact, but I have very good reason to believe, that Mr. Sullivan has not, even to this moment, disposed of the contract.

That I may be able to quit this drowsy stupor of the East altogether, I shall proceed to state how it was disposed of last year; and here again, I shall have much reason to complain of your want of candour and fairness.

With submission to you, Sir, it was not quite fair to state that the Governor-General and Council had entered upon a daring speculation, without observing the strong and urgent necessity, which compelled them to appropriate every rupee they could collect to the relief of the Company's pressing exigencies upon the coast of Coromandel. The question was this: Whether, under the circumstances which existed in Bengal in 1781, it would have been more eligible to have sent no supply whatever

whatever to China, or to adopt a plan which gave the Factory at Canton a chance at least of sending cargoes to England? Neither money nor bills could be spared. The scheme might have been a daring one, but it was a necessary one, and *has been crowned with success.*

Your Report states, that two ships sailed from Bengal with opium on board, consigned to China and the eastward; and you have published a private letter in your Appendix, from Mr. Fitzhugh to Mr. Gregory, in which it is observed, that the importation of opium is condemned by the laws of China, and, without adverting to the *necessity* which *impelled* the Supreme Council to adopt this mode of supplying the factory at Canton with specie, Mr. Fitzhugh condemns the transaction in very harsh terms. The mode in which the question is put to Mr. Fitzhugh is something curious: "Whether it would be proper to send opium from Bengal to China on the Company's account?" As Mr. Fitzhugh's answer was to become a record both at the India-House and in your Committee, the question from a gentleman of Mr. Gregory's acknowledged candour, ought to have been,

D

"Whether

“ Whether it would be better to risque sending
 “ opium to China from Bengal on the Com-
 “ pany’s account, in order to give the Supra-
 “ Cargoes a chance of loading the Company’s
 “ ships,—or to send no supply whatever for a
 “ whole season from Bengal, which would ne-
 “ cessarily detain the ships for one year at
 “ Canton ?”

But I shall pass over your reasoning and
 Mr. Fitzhugh’s Letter, and relate the matter
 of fact.

The Nonfuch armed ship, with 1601 chests
 of opium on board, arrived safe at Canton,
 and the Supra-Cargoes disposed of the opium
 without incurring any of those penalties which
 you foretold. They write upon the subject to
 the Court of Directors as follows : “ The
 “ object of the Governor General and Coun-
 “ cil was to raise a sum of money to answer
 “ the exigencies of the Company’s affairs in
 “ that part of India, and at the same time
 “ afford us a supply for providing the invest-
 “ ment for the present year. Had opium
 “ not been imported in Portuguese ships, and
 “ *had the Captain obeyed his orders*, we have not
 “ the

"*the least doubt* but it might have been sold to
"a considerable advantage."

"The total loss to the Company, after pay-
"ment of every charge, in consequence of the
"Captain's disobeying his orders, was
"69,973 dollars." For this loss, Sir, the
Supreme Council are not accountable; but
even as the voyage has turned out, it
enables the Supra-Cargoes to load the ships of
the present year, as they actually sold the
the opium for above eighty thousand pounds
sterling, and there was no other possible mode
could have been devised for supplying them
with a tythe of that sum.

Speaking of the ship sent to the Eastward
with opium, the Supra-Cargoes say:

"The *Betsy* was taken. Had her voyage
"been accomplished, we have great reason
"to imagine, that the Honourable Company
"would have received considerable advan-
"tage from it. She sold as much of her
"cargo as produced 52,600 dollars, which
"was paid into the Honourable Company's
"Treasury here."

Altho'

Altho' the Betsy was taken, it appears, that 59,600 dollars were received for a part of her cargo, previous to the capture; so that, in fact, the Supreme Council merit the approbation the Directors gave this part of the plan, instead of the ridicule and censure which you have been pleased to treat it with.

The produce of the cargo of the Nonfuch added to the sum paid into the Company's Treasury in Canton, makes the whole amount ninety-three thousand, three hundred, and forty-five pounds sterling. All charges were paid by certificates upon the Court of Directors. The scheme was temporary. The necessity of supply, both in Bengal and China, most urgent, and the transaction upon the whole highly laudable.

Here, Sir, I close my remarks. And I ask you, Whether you think, that Mr. Hastings deserves the very severe, unjust, and ungenerous strictures, which you have passed upon him, either for granting the Ophium contract to Mr. Sullivan, or for adopting that "daring speculation," by which ten lacks of rupees in specie was procured for the public service in Bengal, at a moment of general distress, and a cargo purchased, which has
been

been resold at China, and has enabled the Factory at Canton to dispatch all the China ships to Europe this season?

I imagine, Sir, you depend very much upon the opinion which the House of Commons entertains of your candour and fairness, or you *must* suppose the Appendix will never be referred to. In my life I never saw such false inferences from assumed facts, or so many misrepresentations crowded in so short a space.

You say, "These extraordinary changes, in
" favour of Mr. Sullivan, were attended with
" losses to others, and seem to have excited
" much discontent. This discontent it was
" necessary in some measure to appease. The
" Vendue Master, who was deprived of his
" accustomed dues on the public sale of the
" opium, by the private dealing, made a formal
" complaint to the Board against this, as
" well as other proceedings relative to the
" same business. He attributed the private
" sale to "*reasons of state*;" and this strong
" reflection, both on the Board of Trade and
" the Council Board, was passed over without
" observation. He was quieted, by appointing
" him to the duty of those very Inspectors,
" whose office had just been abolished as
" useless."

“ useless. The House will judge of the effi-
 “ cacy of the revival of this office by the mo-
 “ tives to it, and by Mr. *Hastings* giving that
 “ *to one* as a compensation, which had been
 “ executed as a duty by several.”

In another place you add, “ But here their
 “ constant and vigilant observer, the Vendue
 “ Master, met them again. They seemed to
 “ live in no small terror of this gentleman !”

I can find no trace in the Appendix of much
 or of any discontent being excited by Mr. Su-
 livan's contract. The Vendue Master, Mr.
 George Williamson, a gentleman *not in the*
Company's service, whose *office* may be abolished
 at the pleasure of the Supreme Council, and
 who holds it *himself* only during their pleasure;
 wrote a very respectful and proper letter to
 the Board on the 18th of October, 1781, sta-
 ting that broad cloth, copper, and opium,
 not having been lately sold by public sale as
 heretofore, his expences had exceeded his pro-
 fits. He begs to be allowed a commission on
 private sales, as he must keep up his establish-
 ment of servants; and he most humbly en-
 treats, at the conclusion of his letter, that
 should there be any future sales at Chinsurah,
 he may be directed to conduct them.

The

The Board grant his first request, but deny the second. You say, "*Mr. Hastings gave Mr. Williamson the commission as a compensation.*"

This is not true. *Mr. Hastings was at Benares at the time it was granted*, and could not possibly interfere directly or indirectly in the business. The fact is, as appears in your Appendix, that the Board (Mr. Wheler and Mr. Macpherson) on the 6th of Nov. 1781, "appointed him to receive charge of the Opium, and further intrusted him with the charge of repacking and shipping such quantities as may be ordered for exportation, drawing for his trouble the same commission as has been allowed on the Company's Sales, as a compensation for the losses he would otherwise sustain by the exportation, and in lieu of all other expences incidental to his present establishment of public Vendue Master."

It is impossible any man in England can be absurd or weak enough to believe, if he will consider for a single moment, that Mr. Hastings, and the Supreme Council, "should live in no small terror" of a gentleman, who

who as Lord Keppel said of Sir Hugh Palliser, they could put down with a filip, if they should have any cause to disapprove of his conduct.

You have not carried your remarks upon Salt to as late a period as you might have done. Had you really meant to furnish the House of Commons with a candid and a fair statement of that branch of the Company's Revenue, you would have observed, that by a plan formed by Mr. Hastings, and carried into execution at his own separate responsibility, under the immediate management of Mr. Henry Vansittart, the revenues of the Company from Salt are 48 lacks of rupees; and that three years ago they did not realize a lack of rupees from this article.

The present contract for supplying the army in Bengal with draft and carriage cattle was proposed by Sir Eyre Coote; and I will undertake to prove, that it is one of the most advantageous contracts the Company have ever entered into. If you really wish to be informed upon the subject, you may find documents at the India House that will convince you, the Supreme Council were attentive to
the

the true interests of the Company, and the Natives of Bengal, when they concluded a contract upon such terms as insured a proper supply of draft and carriage cattle for every corps in the army. As I have marched from every station in Bengal and Bahar, between the years 1767 and 1779, I have had an opportunity of seeing the distress of the country, the vexation of the farmers, and the loss to the Revenue, occasioned by the necessary and unavoidable severities which have been exercised in pressing bullocks for the public service, whenever a brigade or detachment has been in motion. If you mean to act fairly, I desire you will look into the Revenue Accounts of the provinces of Bengal and Bahar, previous to the conclusion of the bullock contract in 1779; add to the amount of the former contracts the deductions that have been allowed from the Revenue, whenever a brigade or a corps of the army has marched, and you will find, I believe, that the amount of the present is considerably less than the amount of former contracts. If to this you consider the temporary distress and terror of the poor farmers, who were subject to see

their

their cattle forcibly seized from the plough, and the chance after all of their not being paid for them, you must allow, that a contract calculated to remedy every inconveniency of this kind, and to enable every corps to march at a moment's warning, was highly proper for the Supreme Council to adopt, when it came recommended by so distinguished an officer as Sir Eyre Coote.

Let General Richard Smith declare, as an officer, whether he does not think it would be better, that our army in Bengal should consist of twenty thousand men upon a war establishment, and ready to march at a moment's warning, than of thirty thousand upon a peace establishment, without a proper supply of draft and carriage cattle attached to each corps, so as to enable them to move without distress to the country? We have been engaged in war from the moment Mr. Croftes's contract was concluded, and I do not hesitate to pronounce, that, in every point of view, it has turned out a most beneficial and advantageous contract for the Company.

You

You say, "The case of Mr. Belli's contract
 " for supplying provisions to the Fort is of
 " the same description (as Mr. Croftes's) and
 " what exceedingly encreases the suspicion
 " against this profusion in contracts, made
 " in direct violation of orders, is, that they
 " are *always found* to be given in favour of
 " persons clearly connected with Mr. Hastings in his family, or even in his actual
 " service."

To so pointed an assertion, I must oppose a positive denial. The fact, as you have stated it, is not true. Mr. Belli is the only instance that I know of, or that you have produced of a gentleman in Mr. Hastings's family, holding a contract. He has been twelve years in the Governor-General's family, as Private Secretary of the Civil Department of the Government; he is a man, whose honour and integrity are too well established to be wounded by any insinuation in your Report; and I am convinced, that he would be a considerable gainer, was he to give up his whole fortune, acquired in the course of the twelve years he has been confidentially employed, in exchange for the annual income which your
 family

family at present enjoys under the British Government. No man living can be clearer than Mr. Hastings is from the crime of providing for those who are attached to him, at the public expence.

As you are fond of singular anecdotes, the following may both amuse and instruct you.—The late Sir George Wombwell, either as a Chairman, Deputy-Chairman, or a leading Director, had a very principal share in the management of the East-India Company, from 1775 to 1780.—You will find his name to every letter from the Directors in that period (except when he was out by rotation) which censured the conduct of Mr. Hastings, and he was particularly severe upon him for not obeying the orders of the Court of Directors with respect to contracts, which were positively directed to be given to the lowest bidder, and for one year only.—Yet this same Sir George Wombwell actually made use of Mr. Hastings's arguments upon the subject of contracts, when Sir Philip Jennings Clerke brought in a Bill for excluding Contractors from Seats in the House of Commons.—Upon this occasion, Sir George observed,
May

May 4th. 1778, * “ That he believed putting up
 “ Contracts to Sale would be prejudicial to the
 “ public service. Men inadequate to the ac-
 “ complishment of the Contracts would at all
 “ times bid lower then men of ability and repu-
 “ tation, and they would do much more injury
 “ by serving the public badly than the differ-
 “ ence of expence. He had seen instances of it
 “ in the Contracts of the East-India Company,
 “ and those of so fatal a nature, that he could
 “ not agree to the motion : Gentlemen unacquaint-
 “ ed with business, and of little consequence in
 “ the eye of the public, might move for refer-
 “ mation in every department of Government.”

If Sir George Wombwell spoke so well in May, yet in December of the same year, when Chairman of the Court of Directors, he and his brethren wrote to Bengal, “ altho’
 “ the Governor-General has thought proper
 “ to express so direct and pointed a disap-
 “ probation of the mode enjoined by the
 “ Company, we adhere to the propriety of
 “ the Court’s Orders, and renew the in-
 “ junction, that in all cases you accept the
 “ lowest proposals, with sufficient security
 “ for the performance.”

* Vide Parliamentary Register, published by Almon.

Every reasonable man will think, that a contract ought to be concluded upon such fair and equitable terms between the Company and the individual, as to afford the latter an honest profit for his labour, and to insure to the former a punctual observance of the conditions. If you should tell me, that it is the business of the proposer to take care, that the terms he offers are not so low as to preclude him from the probability of a future profit, I reply, that, to my knowledge, Gentlemen in Bengal have offered to take contracts upon lower terms than it was possible to execute the service for. I will give you an instance in point. In 1775, the Supreme Council, being then complete, contracted with the late Colonel Parker to keep the cantonments of Burrampore and Dinapore in repair for two years, at a certain annual sum. General Clavering offered Colonel Parker the contract for five years, which the latter declined, on a supposition that he might be a loser by it. When his contract was on the point of expiring, he wished to renew it on the same terms, but the General then objected. New proposals were accordingly advertised for, and upon opening them it was found, that an Ensign in the service

vice

vice actually proposed to keep the cantonments in repair for less than two thirds of the amount of Colonel's Parker's contract. According to established custom, this gentleman was entitled to the contract; but Mr. Hastings being fully convinced, as General Clavering, and every other man conversant in the business was, of the impossibility of executing the contract upon the terms proposed, it was agreed, that the business should be done by agency in future.

I have been more full upon the subject of contracts, because I recollect perfectly well, that on the 28th of May last year, when the House of Commons passed that memorable vote for the removal of Mr. Hastings, Mr. Secretary Fox said, "That tho' he did not
 " doubt the integrity of Mr. Hastings, yet it
 " might happen to him, as it had happened to
 " a noble Lord (North) that without being
 " guilty of speculation himself, he had winked
 " at it in others."

It remains still with you, Sir, to prove Mr. Hastings guilty of a waste of public treasure for private purposes.

I really

I really am astonished at your misrepresentation of the opinion of the Council, who were consulted relative to the propriety of commencing a prosecution against Mr. Hastings, upon the strange jumble of inconsistent charges transmitted from Bengal, in 1775, and received at a time when his Majesty's Ministers and the Court of Directors would gladly have seized any tenable ground for his Removal.

You say "none of them gave a positive opinion against the grounds of the prosecution."

Mr. Smith, the Company's Solicitor, says, "I cannot bring myself to think, there is sufficient grounds to bring a suit against Mr. Hastings."

Lord Thurlow, then Attorney-General, says, "upon the whole, I see no evidence in my judgment sufficient to maintain an action."

The Solicitor-General (now Lord Loughborough) says "the Company may proceed
" by

" by action, or a bill on equity; and the latter
 " method seems, *from the imperfect and confused*
 " *account of* the evidence of the transaction,
 " to be the most proper method of proceed-
 " ing."

Mr. Serjeant Adair says, " at all events, I
 " cannot think it adviseable for the Com-
 " pany to commence any suit against Mr.
 " Hastings." Mr. Sayer, says, " there is not
 " sufficient ground for an action at common
 " law," and adds " As I am satisfied a dis-
 " covery will not be injurious to his defence
 " or integrity, it is my advice, that a Bill be
 " filed in Bengal, &c."

Mr. Dunning says, " *if it can be proved,*
 " that Mr. Hastings received the lack and a
 " half of Rupees in question *as a gift, &c. &c.*
 " the money may be recovered of him."—He
 adds, " it appears to me difficult to reconcile
 " the evidence stated."—He does not ad-
 vise a prosecution, yet you say, " three of
 " them, Mr. Wedderburn, Mr. Dunning and
 " Mr. Adair, were clear in favour of the
 " prosecution."

Of these three opinions, there is not a syllable in either that appears, even by a forced construction, to recommend a prosecution, except in Mr. Wedderburn's, and he states the evidence to be *confused and imperfect*.

What could induce you to bring forward to public view the transactions of so distant a period, and to misrepresent in so gross a manner the opinion of the Council who were consulted?—"Is this the direct charge of corruption," which you told Major Scott, in May, 1782, you intended to produce against Mr. Hastings?—Be assured, Sir, you cannot injure him by such an attack as this is.—

Never, I believe, were so many insinuations, or misrepresentations, crowded in so short a space.—You say, after giving us your account of the resignation, that the Court of Directors observations upon it, "are just and well applied; but that with these declarations, they appear to have closed the account, and dismissed the subject for ever."—And why did they so? was it out of regard to Mr. Hastings? By no means.—The Court of Directors had assigned their privilege

privilege of examination to three of their body.—These three Gentlemen reported to the Court, that the powers, produced by Mr. Maclean, were “full and sufficient,” and in this opinion they were not unanimous;—but when Mr. Hastings denied he had ever given such powers, I do not find that either of these Gentlemen stepped forward to support their former assertions.—The more I consider this business, the more clear it appears.—In the Letter of the Court of Directors, to which you have alluded, they say, “although General Clavering acted unwarrantably, and “even *illegally*, in directing the Secretary to “issue the Summons in his name as Governor-General, &c. &c.” Now, Sir, by this declaration, the Directors do in fact vindicate Mr. Hastings most completely;—for if General Clavering was not Governor-General, the moment the notification of Mr. Hastings’s resignation arrived (and the Directors allow he was not) Mr. Hastings is fully justified for his subsequent conduct,

You add, “a sanction was hereby given to
 “all future defiance of every authority in
 “this kingdom.—Several other matters of
 “complaint

" complaint against Mr. Hastings, particular-
 " ly the charge of peculation, fell to the
 " ground at the same time."

This assertion is not true.—The letter from the Court of Directors was dated the 23d of December, 1778;—but the opinion of Council, on the charges sent to England against Mr. Hastings, was taken in July, 1776;—and do you insinuate, Sir, that the Directors would have dared to quash all prosecutions, had they not been convinced of the impossibility of criminating Mr. Hastings?

I believe, I have omitted no part of the Report, which affects the character of Mr. Hastings.—I thank you most heartily for publishing the Appendix.—I hope every Member of the House of Commons, who may in future vote upon an India question, will take the pains to read and compare it with the Report.—The Governor-General will then be fully justified,

How, Sir, shall I account for your treatment of Mr. Hastings?—You were one of his
 warm

warm admirers, as I understand, in the year 1776, and every Member of the Rockingham party, who possessed India Stock, voted for him in Leadenhall-Street, at that period. — What has he done to forfeit your good opinion? Has your connection with the Raja of Tanjore occasioned this mighty change, added to the impetuosity of your temper? I have, indeed, seen such extraordinary changes in political opinions, since my arrival in England, that I shall in future pay attention to facts only, and not to expressions. — It was so much the fashion to abuse your noble friend Lord North, until he was compelled to resign, that what fell from you in particular may not be in the general recollection of the public. — The following Extracts from the Parliamentary Debates, as published by your patriotic friends, Almon and Debrett, will prove, that, if you have accused Mr. Hastings of inconsistency, you have asserted, that it was the great characteristic of the noble Lord, and his adherents, to eat their words, and renounce their principles; if you have treated Mr. Hastings's expressions and actions with ridicule, you have said, the noble Lord was a curiosity; but he was more fit for the British Museum, than

than the British House of Commons, if you have pledged yourself to God, the House of Commons and your Country, to prove Mr. Hastings a notorious delinquent, you were pledged to bring the noble Lord to the block.—If you have accused Mr. Hastings of being the author of all the rapine and bloodshed in India, you have accused the noble Lord of plunging America in all the horrors of war.—If you have charged Mr. Hastings with wasting the Public Treasure for private purposes, you have been still more violent in your attacks upon Lord North, with respect to the expenditure of Public Money.—Yet at this moment, Lord North is the noble friend of the Right Honorable Edmund Burke.—The noble Lord, with a confidence, which is the result of conscious innocence, has again and again pledged himself not to run away, but to reply to any charge you could bring forward; I pledge myself, that Mr. Hastings will be equally ready to defend himself; but for God's sake, Sir, confine yourself in future to positive charges, and do not amuse the world, as you have hitherto done, by dealing in general assertions, which you never mean to prove.

November

November 27, 1781.

* “ Mr. Burke rose next, and with great
 “ warmth reprobated the language of the
 “ noble Lord. He avowed, that it was *im-*
 “ *pudent*, it was *audacious*.—He was averse
 “ from deceiving and amusing the people
 “ with what he felt impracticable. He trust-
 “ ed a day of *reckoning would come*, and *when-*
 “ *ever* that day came, he should be able by
 “ *impeachment* to bring upon the *heads* of the
 “ authors of these unhappy affairs the punish-
 “ ment of them.—The nation as an animal
 “ was dead;—*but the vermin which fed on it*
 “ *had still an existence.*”

November 28, 1781.

“ Here, Sir, I behold the bloody remnants
 “ of our faithful friend, Mr. Williams, gib-
 “ betted up for a terror to all who adhere to
 “ us; and a little further another friend,
 “ and yet another and another.—He worked
 “ up his passions so much in discanting on
 “ the shocking cruelty of the circumstance,
 “ that his whole frame was visibly and
 “ violently agitated.”—(I remember perfect-
 ly well, Sir, that in speaking of the late

* Vide Parliamentary Debates, published by Debrett.

famine

famine at Madras, the effects of which Mr. Hastings and the Supreme Council have done their utmost to alleviate, you were led away by your humanity, as in the case of Lord Cornwallis, to mention circumstances, which never had existence, except in your imagination.)

Nov. 28, 1781.

Mr. Burke,

Good God! does the noble and learned Lord know so very little of the Minister, as to imagine, that the shortness of time, which a delusion could exist, was any reason for his not practising it? *The noble Lord deals in cheats and delusions*; they were the daily traffick of his invention! A week! The noble Lord had often held out a cheat for half that time! For a day only, nay for a single hour. He had practised cheats upon the House, which died away even before the debate was ended, to favour which they were contrived. The noble Lord would continue to play off his cheats and delusions in that House, as long as he thought it necessary, and had money enough at command to *bribe* gentlemen to pretend they believed him.

“ After

" After working up himself and his hear-
 " ers to the most distressful state of emotion,
 " he branded the Ministers as the cause of
 " the horrid disasters he had described, and
 " declared the address to be the most hypo-
 " critical, infamous, abandoned, lying paper,
 " that ever that House had been called upon
 " to vote."

Dec. 4, 1781.

In this debate Mr. Burke throws out the
 severest insinuations against Lord Rodney, and
 adds, "Governor Meynell *was supposed* to have
 " fallen a victim to the hardships he had en-
 " dured.

" Tobago was taken under the very eye of
 " Sir George Rodney, as De Grasse expressed
 " himself; and the same Admiral said in his
 " dispatches, he had several times offered the
 " British Admiral battle, which the latter had
 " thought proper to decline. This might be
 " called a *ground of crimination*. The first no-
 " tice Admiral Byng had of a charge against
 " him, was a copy of Mr. de Galissonniere's
 " account of the action; but as this was in his
 " opinion

“ opinion a hardship on Admiral Byng, he
 “ would not charge Sir George Rodney from
 “ Compte de Grasse's dispatches ; but the
 “ capture of Tobago gave nevertheless *an ap-*
 “ *pearance of truth to the assertion of De Grasse.*

(This is really, Sir, very like the insinuation
 against the Honourable Mr. Stuart, to which
 that gentleman has so fully replied in a letter
 to General Smith.)

“ For his part he declared he never would
 “ abandon those whose cause he had under-
 “ taken, 'till he had sifted the matter to the
 “ bottom. The character of an accuser it was
 “ true, was odious ; but it was so only when
 “ the accusation was brought against the in-
 “ nocent, the weak, the oppressed, or per-
 “ haps indigent culprit—but it was not odious
 “ to accuse *guilt* in stars or ribbons : *guilt* re-
 “ warded and countenanced by the official and
 “ the opulent.

“ Mr. Burke replied to the conclusion of
 “ Lord North's speech. With indignation he
 “ declared, he wondered how the noble Lord
 dared

“ *dared* to talk of British feelings. He! he!
“ *dare* talk of British feelings! He! that has
“ ruined the British empire, and wasted its
“ blood and treasure. — He desired the House
“ would suffer the enquiry to be gone into,
“ and he * *would pledge himself* he would sup-
“ port every thing he had said.”

December 17, 1781. Speaking of the
treatment Mr. Laurens met with, Mr. Burke
says, “ The Turk, the savage Arab, the cruel
“ Tartar, or the piratical Algerine, when com-
“ pared to our Ministers, might be thought
“ humane.”

Jan. 28, 1782.

“ He had heard that words were but wind,
“ and that they were here more windy than
“ any where else.”

[No bad remark.]

Feb. 1, 1782.

“ Mr. Burke once again, and in the severest
“ and most pointed language, attacked the

* Yet Mr. Burke, though pressed by Lord Lisburne, declined
to proceed.

“ noble

“ noble Lord, for declaring it was a matter in
 “ which he was not immediately concerned ;
 “ an affair that it was peculiarly his province
 “ to have made himself acquainted with, and
 “ to have closely examined. What says he,
 “ is it not the business of the First Lord of
 “ the Treasury to see that money matters of
 “ such consequence as these are, should be
 “ stated fairly and justly, previous to their
 “ being brought before the House; cer-
 “ tainly it was; and I am convinced too, so
 “ important a transaction could never be done
 “ without his *management* and *consent*. In
 “ which case, I say, he has *cheated* the public.

Feb. 25, 1782.

Speaking of the loan, Mr. Burke said, “ he
 “ blamed the conduct of the Minister thro’
 “ the whole of this business. The last year
 “ he had made an *infamous bargain* in a bung-
 “ ling manner. He now wished to make a
 “ bargain *equally advantageous to influence with*
 “ *more safety.*”

March 6, 1782.

“ The noble lord (North) had told them
 “ he would continue in his office, out of
 “ gratitude

"gratitude to the people." "Gratitude, the noble Lord's gratitude! Oh, Sir, said Mr. Burke, (addressing himself to the Speaker) the Noble Lord's gratitude is like that of another *fallen angel* like himself, described by the poet.

"The debt immense of gratitude,

"So burthensome, still paying, still to owe."

"So with the Noble Lord, his debt immense of gratitude was endless, and could never be discharged, and therefore he had presumed to *fly in their face*, and to *insult* them with such language as ought to be *reprobated* by every man in the house, &c.

March 8, 1782.

Mr. Burke, at the close of a speech, which Mr. Debrett observes, was "one of the best adapted pieces of satire we almost ever remembered to have heard him make," says, "The noble Lord in the Blue Ribband had declared, that he would never quit his office, until he could quit it with honor,

"he

“ he therefore congratulated the House on the
 “ happy prospect they had of keeping the
 “ noble Lord in office, for if he never quitted
 “ his post *until he could quit it with honor, he*
 “ *would be bound to say, he would retain it*
 “ *until the last hour of his life?*”

On the memorable 20th of March, 1782,
 when Lord North informed the House of
 Commons, His Majesty's Ministers were no
 more: Mr. Burke observed, “ That that was
 “ not a moment for levity, or exultation. He
 “ regarded it with a calmness of content, a
 “ placid joy, a serene satisfaction; he looked
 “ forward with fear and trembling, &c.

“ The present, he farther said, was the pe-
 “ culiar period of mens lives, *when their am-*
 “ *bitious views were unlocked, when their pre-*
 “ *judices operated most forcibly, when all their*
 “ *desires, their self opinions, their vanity, their*
 “ *avarice, were set at large, and begun to*
 “ *shew themselves, &c.*

I am now, Sir, arrived at the period in
 which you became a Minister. Your first
 declaration

declaration in this character was on the 9th of April, 1782, "That it was the intention
 " of the Servants of the Crown to purge the
 " nation of its foul humours, and to restore
 " it to its former purity."

I find you on the 15th paying that tribute of praise to His Majesty, which he so well deserves, "It was the best of messages to the
 " best of people, from the best of kings."
 How far you were sincere in this declaration I do not know. I have been in England long enough to discover, that Mr. Burke in place, and Mr. Burke out of place, are two very different men.

When Lord Shelburne succeeded the late Marquis of Rockingham, and Mr. Burke resigned, he seriously asks General Conway, "would he have taken Cataline for his colleague in the Consulship, or be co-partner
 " with Borgia in his schemes?" Yet Mr. Burke is at this moment united with Lord North, whom he has frequently traduced in the harshest language.

I forbear

I forbear, Sir, to proceed to the early period of the present session, but I recollect you were not less warm in your praise of Mr. Pitt, during Lord North's Ministry, than you have been hostile to him, when his political principles did not exactly coincide with your views.

I understand, Sir, that while a patriot, you were in the habit of publishing your speeches. Whether those from whence the foregoing extracts are taken, were printed by your authority, I do not know, but they are doubtless very correct. Mr. Debrett is your old friend. He was a warm admirer of your abilities and public spirit, which he never missed an opportunity of extolling; when the noble Lord, your present friend, was the constant butt of your ridicule. Words in the House of Commons, as you say, Sir, are but wind, I shall therefore regard your future abuse of Mr. Hastings, as idle sounds, "signifying nothing;" for I do not believe the English language affords more opprobrious epithets than you applied to the noble Lord, when he retained a station, which interfered with your political, or interested views. Mr. Pitt too, "that excel-

"lent

“lent young man,” “who must and should
 “be employed,” on a sudden became a “pe-
 “tulant froward youth;” and the Earl of
 Shelburne from being the respected colleague
 of Mr. Fox, became in one summer’s day,
 “fifty times worse than the noble Lord
 “(North) who had been reprobated and re-
 “moved by the House of Commons.”

The circle of patronage is considerably cir-
 cumscribed of late, and I most sincerely believe
 it is the determined perseverance with which
 Mr. Hastings retains an office yielding twenty
 five thousand pounds a year, that excites your
 resentment.

You may remember, Sir, that a few days
 after Lord North resigned in March, 1782,
 you positively declared, that Mr. Hastings
 and Mr. Macpherson should be removed. I
 thought the declaration a most extraordinary
 one at the time, but from the moment your
 persecution commenced, Mr. Hastings’s cha-
 racter has acquired additional lustre in the pub-
 lic opinion, and I have too entire a confidence
 in the justice of his Majesty’s Ministers, to be

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at

at all alarmed as to the event of the strictest enquiry that can be made into the public or private conduct of the Governor-General.

I have the honor to be,

S I R,

Your most obedient humble servant,

J. S.

P. S.

P.S. In the course of a late debate you observed, that some of the first and most respectable characters in the House, were of the Select Committee. I most readily and heartily agree with you, but it is equally true that seldom more than five, and scarcely ever above six gentlemen attend, and they are invariably the same members. General Smith, Mr. Burke, Mr. Long, Mr. Elwes, Lord Maitland, and Mr. Annesley. I declare most solemnly I do not question the justice, or the purity of the motives by which these gentlemen are actuated; they are gentlemen of fair, honourable characters, and of independent fortunes. The Select Committee, however, has now sat above two years. It was originally instituted upon public grounds; but their proceedings have long been purely personal. Far be it from me, Sir, to dispute your knowledge of human nature, and you have told the world, that "*Our natural disposition leads all our enquiries rather to persons than to things.*" Upon your own principles it is absolutely impossible that six gentlemen should brood over the same subject for two years, without imbibing very strong prejudices. The well known, if
not

not the avowed object of your reports, has been to remove Mr. Hastings, Mr. Wheeler, and Mr. Macpherson from their stations. It is universally believed that two of the six attending Members, General Richard Smith, and Mr. Long, have for these twelve months past entertained views of going in high stations to India. Is it possible that this report should have remained so long uncontradicted, had it been untrue? Your Tanjore connections are generally known, and let me ask you seriously, all prejudice apart, if you in your conscience believe, that two gentlemen who wish to fill up those places they are taking so much pains to vacate, and a third who is deeply involved in the politics of a Gentoo Prince, ought to be deemed impartial judges of the merits of Mr. Hastings. Have the remaining three gentlemen composed a single line of your ten reports? have not General Rich. Smith, and yourself, paid the most fulsome and disgusting compliments to each other on the merits of your several productions. Mr. Burke is to be immortalized by General Smith's account, for his critique on Sir Eljah Impey's appointment, and the honourable General receives his portion of
adulatory

adulatory praise, for his attempt to keep Mr. Sullivan and Sir William James out of the direction. But, notwithstanding, "these windy expressions," as you justly term them, one Member of respectable character and independent fortune, declines to attend the Committee, as Governor Johnstone observed, "because he had seen so much prejudice and passion in their proceedings, he was determined to go amongst them no more;" and from the general disinclination of other gentlemen to be present at your meetings, we may fairly conclude, that they entertain similar ideas.

F I N I S.

